Living Sky School Division No. 202
Growth Without Limits, Learning For All

Living Sky School Division No. 202
Annual Report
2012-13

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Living Sky School Division No. 202
Growth Without Limits, Learning For All
509 Pioneer Avenue North Battleford, SK S9A 4A5
Phone: (306) 937-7702
Fax: (306) 445-4332
E-mail: office@lskysd.ca
Website: www.lskysd.ca

An electronic copy of this report is available at www.lskysd.ca/annualreport-2012-13

Letter of Transmittal

Honourable Don Morgan
Minister of Education

Dear Minister Morgan:

The Board of Education of Living Sky School Division No. 202 is pleased to provide you and the residents of the School Division with the 2012-13 annual report. This report outlines activities and accomplishments of the School Division and provides audited financial statements for the fiscal year September 1, 2012 to August 31, 2013.

Respectfully submitted

Ken Arsenault, Board Chair

Highlights/Accomplishments for 2012-13

Living Sky School Division has much to be proud of this year. Our students and staff have helped to create an environment of "Growth Without Limits, Learning For All". Congratulations to everyone who contributed to our success in 2012-13.

Below are some of the 2012-13 highlights:

First Nations, Métis & Inuit (FNMI) Graduation Rates – Living Sky School Division's First Nations and Métis Educational Achievement Plan seeks to reduce the achievement gap between First Nations and Métis students and their peers, increase credit attainment and graduation rates, and promote smooth transitions to work or post-secondary education. A key first step in achieving these goals has been interviewing First Nations and Métis students about their school experience. This information gathered by our First Nations & Métis Achievement Consultant will assist us in providing appropriate responses to the needs and interests of our First Nations and Métis students.

Treaty Education – "We are all Treaty people." Treaty education was a division-wide focus in 2012-13. All members of the school community – students, teachers, parents, and Board of Education – participated in learning about the treaties that provide for a mutually beneficial relationship between the Treaty partners. The students and staff of Living Sky School Division express their sincere thanks to the Elders of First Nations in the Living Sky area for contributing their time and wisdom.

Division Goals – In pursuit of the division goal of improving students' expository writing skills, baseline data was collected in the spring of 2013. Student writing was collected in grades 3, 6, 9 and 12 and collaboratively scored by grade alike groups in a paperless environment. Teachers scored multiple writing samples from multiple schools and all students received written feedback in addition to a rubric score. All teachers involved in the common assessment process followed a common protocol and prompt, participated in a group calibration process, and collaboratively scored all collected samples. All grades 3, 6, 9, and 12 teachers were involved in the process and most reported that the scoring experience was great professional development essential for the development of a common understanding of writing expectations for each grade level. To emphasize the cross-curricular nature of writing, grade 12 students were provided with a Canadian Studies prompt.

Individual Achievement Accounts Program (IAAP) - Students from three high schools participated in the IAAP. Program goals were to provide students with opportunities to: form partnerships with individuals and businesses in their community through paid or volunteer work; use technology to enhance employability, job searches, networking, and financial planning; set goals for personal growth and future employment. As a part of the program, many students completed courses for certification (Food Safe, Ready for Work), created portfolios, and participated in presentations. An emphasis was placed on enrolling First Nation and immigrant students into this program.

School Logic – As part of our well-coordinated approach to achievement and data, Living Sky School Division No. 202 has made the move to a unified and robust student data system, SchoolLogic. It is important that our professional staff have all reports, data and information at their fingertips, so they can make inform decisions about pedagogy and achievement to assist students to do better at school. Our purposes for the student data system are clear: consolidating student data, creating reports that are rapid and user friendly and ensuring all staff are on common footing when it comes to assessment language. The added benefit of the data system is the cost savings associated with the endeavour, we were able to reduce three systems to one, merge support contracts, and reduce our infrastructure. In the 2012-2013 school

year, five schools were early adopters of this new system. In addition to the benefit of the data system for teachers, the HomeLogic piece of the software package allows parents and guardians immediate access to their student's marks and attendance in real time, enhancing the Home-School link. The data system is in line with our mission that includes progressive communication with all of our stakeholders. It is with anticipation that we look forward to the coming school year for our full implementation of this Student Data System.

Staffing Guidelines – Human Resources strives to assign professional and support staff to schools transparently, keeping in mind the necessary balance of equity, acceptability and affordability.

Human Resources, in consultation with school-based administrators, developed professional staffing guidelines to help ensure the equitable placement of teachers in each of the division's schools. The guidelines consist of several factors we consider to determine the number of teachers allocated to each building.

In the spring of 2012, we created guidelines for support staff including library assistants/technicians, secretaries and educational assistants. The guidelines help to ensure that our support resources are being deployed in a manner that is equitable, acceptable and sustainable.

Leadership Development - In the fall of 2012 we implemented a leadership development program for two main reasons:

a. To build leadership capacity throughout the division, and
b. To develop a group of potential candidates for future school-based administrative positions.

The program is intended to serve as a PD opportunity for all new administrators, teachers with five or more years of experience and current school-based and senior administrators.

The content is designed to enhance knowledge, skills and abilities in key areas of leadership such as setting vision and direction, leading instruction and securing accountability.

HUB Committee – The purpose of the HUB is to address community safety and wellness issues by enhancing provision of human services to those of elevated risk and to develop strategies to resolve issues as expediently as possible; typically within 24 to 48 hours. The focus is rapid development and immediate deployment of real-time interventions and short term solutions to emerging problems, risk conditions and crime prevention opportunities identified and brought forward by front line operations of all participating agencies. The HUB is an interactive-interagency approach that is meant to deliver services to those in need before they enter criminality or experience serious difficulty in other areas. The multi-disciplinary team which includes Senior representation from Living Sky School Division meets twice weekly. Many of the interventions planned have focused on challenges relevant to student achievement such as addictions, truancy and mental health.

Introduction

This annual report presents an overview of Living Sky School Division's activities and results for the fiscal year September 1, 2012 to August 31, 2013.

This annual report provides a snapshot of Living Sky School Division, its governance structures, students, staff, programs and facilities. It also offers information in the CIAF priorities: higher literacy and achievement, equitable opportunities, smooth transitions, and system accountability and governance.

In addition to detailing the School Division's activities and performance, this report outlines how the Division is implementing its strategic plan, provides a report from management endorsing the financial overview and audited financial statements, and includes appendices such as an organizational chart, school list, and payee list.

Financial statements included in this report have been audited by an independent auditor following the Canadian Generally Accepted Auditing Standards.

School Division Profile

About Us

Living Sky School Division is situated in Northwest Central Saskatchewan. It encompasses a wide geographic area including the Battlefords, many communities, villages, First Nation communities and hutterite colonies.

We are located in the heart of wheat and oil country. The recreational and outdoor pursuits are plentiful from camping, fishing, hunting and water sports in the summer to downhill and cross-country skiing, snowmobiling and ice fishing in the winter. The area offers a rich historical and cultural experience that is reminiscent of our past.

Currently, thirty-one schools are located in 19 communities within the division. Our schools include PreK-12, elementary, high schools and alternate schools with a student population of approximately 5,700 students. Our diverse school population is reflected in a wide variety of programming that meets the guidelines of Saskatchewan Core curricula while supporting the local needs of the community.

The Division is divided into eight subdivisions for purposes of board representation. For a more detailed map of Living Sky School Division showing the eight subdivisions, visit our website:
http://www.lskysd.ca/board_of_education/members.php

Figure 1: Location of Living Sky School Division (LSSD)

Division Mission Statement

Shaping Our Future Through Thoughtful Schools

Thoughtful schools are schools where Students and Staff focus on learning.

- Commitment to academic learning
- Learning to respect self, others and property
- Learning to become full contributing members of society
- Learning to celebrate success

Division Vision Statement

Growth Without Limits, Learning For All

Division Guiding Principles

Living Sky School Division adheres to the following values:

- Care
- Integrity
- Trust
- Honesty
- Mutual Respect
- Courage
- Commitment
- Inclusion
- Innovation
- Transparency

We believe:

1. Student learning is priority number one.
2. Students learn and staff work best in caring, respectful environments.
3. In relevant, responsive, results oriented curriculum
4. Collaborative, authentic partnerships build strength.
5. Our organization is accountable to students, parents, community.
6. In prevention and early intervention.
7. Our organization is strengthened through shared leadership.

Program Overview

The students Living Sky School Division represent a diverse demographic. They vary in age, personal circumstances, learning styles, interests, and individual strengths and needs. In order to provide the best education possible for all our students, Living Sky School Division offers a wide range of programs in the 31 schools of the Division.

Central to the program in every school is the provincially-mandated core curricula, broad areas of learning and cross-curricular competencies. Classroom instruction is designed to incorporate differentiated instruction, First Nations and Métis (FNM) content, perspectives and ways of knowing, and the adaptive dimension.

In addition, each school in the Division offers specialized programming that responds to the needs of its students. The following list identifies programs in operation at one or more of the Division's schools:

- Alternative programming for vulnerable students
- Community school programming
- Core French instruction
- Distance education
- English as an Additional Language programming
- Student Respect/Anti-bullying programming
- International Baccalaureate (IB) programming
- Music/band programming
- Nutrition programs
- Prekindergarten programs
- Technology-enhanced learning

Additional services and supports are offered to students and teachers by specialized School Division staff including:

- Curriculum consultants in specific subject areas
- Educational psychologists
- English as an Additional Language consultant
- Occupational therapists
- Speech and language pathologists
- Student counsellors
- First Nations & Métis achievement coordinator

Programming highlights for 2012-13 included:

Instructional Strategies - Teachers across all subject areas have been active participants in unwrapping new curricula, creating outcome based rubrics, and working collaboratively to strengthen their understanding of renewed curricula and effective pedagogy especially in the areas of numeracy, writing, reading, assessment, and technology. A shift to outcomes based assessment and the collection of multiple forms of evidence (products, conversations, and observations) are new practices that were introduced to teachers this year. Resources to support a shift in assessment pedagogy, based upon this year's early adopter schools' practices, are in place for 2013-14.

In the past two years, all teachers have been immersed in the language and practices of differentiated instruction. Teachers have received 2-4 days of hands on training, a copy of the Differentiated Tool Kit flipchart, and have had the opportunity to share their stories of changed practices inside and outside of their schools. The integrated use of technology to enhance student engagement and achievement has been monitored closely over the past two years.

Opportunities to improve instruction are organized in an online Professional Development booklet. We believe that working together as a learning community of teachers, administrators, consultants and superintendents allows us many opportunities to share and refine our knowledge and skills to enhance student achievement. To meet a variety of learning styles, needs, and division/school based goals a diverse selection of professional learning activities is prepared annually. Participants may choose from boot camps, short online sessions, in depth topic specific sessions, and/or individuals may design their own session with resource personnel to meet personal learning targets.

Grade 3 Reading

Data collection for reading levels is a new practice for many teachers. Teacher participation in training workshops, an on-site expert, and time were critical elements for the consistent administration and reporting of reading levels. The purchase of Fountas & Pinnell assessment kits and many days of substitute teacher time have meant additional budget lines at both the school and division level. Teachers assessed their own students at both the instructional and independent levels and found the one on one time assessing their students impacted their future planning and instruction.

To support struggling readers a Universal Reading Interventions binder was distributed to each school. These materials were created by an early learning literacy teacher committee and are designated as a Tier 1 support. Choices for Interventions for Tier 2 and 3 readers will be recommended through inserts to the Universal Reading Interventions binder in the upcoming two years.

Living Sky School Division has included grade 3 reading goals to reflect the Saskatchewan Plan for Growth (Oct. 2012).

Numeracy

With the renewal of the math curriculum teachers required support to shift their pedagogy to meet curriculum expectations. First Steps in Math training sessions are offered to all teachers to ensure the use of research based best practices. In addition teachers were trained to use diagnostic maps with coordinating activities to help close student achievement gaps.

In pursuit of the division goal to increase numeracy skills a lead group of teachers has developed and piloted numeracy performance tasks that will be used to collect baseline data in grades 2, 5, 8, and 10 in the upcoming year.

First Nations and Métis Education – The Ministry of Education requires that each school division create a First Nations and Métis Education Plan that aligns with the Continuous Improvement and Accountability Framework. The highlights of Living Sky School Division's First Nations and Métis Education Plan appear below. The full plan is available at www.lskysd.ca . The full plan provides detailed information about performance measures, target outcomes, and instructional strategies.

Goal #1: Equitable Outcomes and Higher Literacy for First Nations and Métis Learners

What do we want?

1. Eliminate the existing achievement gap.
2. An increase in higher literacy in elementary throughout high school. We are currently in the process of collecting and organizing our data into the system wide student management system SchoolLogic.
3. A higher attendance rate in First Nations and Métis students.
4. A higher numerical literacy amongst First Nations and Métis students.

5. Alleviation of oppressive measures that have contributed to the achievement gap.
6. Audit of efficacy and relevance of Living Sky current and considered program/practice.

Goal #2: All learners have knowledge and appreciation of the unique contributions of First Nations and Métis peoples to Saskatchewan.

What do we want?

1. All learners will have a foundational understanding that we are all beneficiaries of Treaty, and of Métis peoples' contributions to the development of the Canadian West, including their traditional settlement areas in Saskatchewan.

Goal #3: Data collection and reporting on measures outlined in the Ministry's First Nations and Métis Education Policy Framework that demonstrates accountability towards educational outcomes.

What do we want?

1. A meaningful year over year improvement in data around student achievement would be in the area of 3-5%. This would cut the achievement gap in half in a five year period. We will research through qualitative data, student resiliency and success. We will engage in data collection and research using CIHR's guidelines to ethical research on Aboriginal peoples.

2. By 2013-14, we will have gathered qualitative data from students, teachers, administrators, and First Nations and Métis parents to understand the circumstances surrounding the achievement gap and the mysteries behind it.

Goal #4: Shared management of the provincial education system by partnership with First Nations and Métis peoples at the provincial and local level.

What do we want?

1. Students, parents and community members will be engaged in meaningful dialogue about the education of all students.

School Division Planning

Living Sky School Division No. 202 has a well-coordinated planning process which enables alignment of School Division priorities with Continuous Improvement and Accountability Framework (CIAF) priorities and alignment of all School Division planning activities.

Strategic Plan

In 2012, the Board of Education of Living Sky School Division approved a four-year (2012-13, 2013-14, 2014-15, 2015-16) strategic plan. The Board's strategic plan for the Division provides overall direction for everything the Division does and serves as an anchor to ensure that all Division planning processes are in alignment with each other and that divisional priorities are aligned with CIAF priorities.

The strategic plan defines Living Sky School Division's mission, vision and guiding principles – provided earlier in this annual report. In addition to these foundational elements, the strategic plan includes strategic directions, Board priorities, and key strategies to achieve board priorities.
Living Sky School Division's strategic directions are:

- **Direction #1: Higher Literacy and Achievement – Students and Staff**
    - Curriculum Implementation
        - Unwrapping Curriculum Outcomes
        - Understanding by Design (UBD)
        - Professional Learning Communities (PLC's)
    - Assessment (as, for, of) Learning
    - Supports for Student Learning
        - Differentiated Instruction
    - Achievement Goals
        - By June 2015, 80% of students in grades 3, 6, 9 & 12 (who have been registered for 1 or more years in LSSD) will achieve grade level proficiency (level 3) on provincial writing rubrics on a published piece of expository writing.
        - By June 2016, 80% of students in grades 2, 5, 8 & 10 (who have been registered for 1 or more years in LSSD) will achieve grade level proficiency (level 3) in the number strand as measured by collaboratively developed performance tasks.
        - By June 2014, there will be a 10% increase in Grade 2 students reading at an independent level as measured by Fountas and Pinnell. (Using baseline data from Spring 2013).
        - By June 2015, there will be a 20% increase in Grade 3 students reading at an independent level as measured by Fountas and Pinnell. (Using baseline data from Spring 2013).
    - Effective Student Data System for Reporting

- **Direction #2: Equitable Opportunities for Students**
    - Supporting diversity
    - Enhanced student behaviours
- **Direction #3: Smooth Transitions for Students**
    - Partnership Advancement
    - Transitions through Pre-Kindergarten to Grade 12
    - Transition to Career

Continuous Improvement and Accountability Framework

The Continuous Improvement and Accountability Framework (CIAF) aligns School Division and CIAF priorities. The four priority areas of the CIAF are:

- Higher literacy and achievement
- Equitable opportunities
- Smooth transitions
- System accountability and governance

The four areas are also part of Living Sky School Division's strategic plan. Living Sky School Division has developed a Continuous Improvement Plan which identifies measurable goals for each priority area and outlines a strategy to collect data relevant to each priority. This plan is available on Living Sky School Division's website at http://www.lskysd.ca/programs/documents/CIAFReportApril2013.pdf .

The School Division in the Community

Living Sky School Division is an integral part of community life in northwest central Saskatchewan. The Division, as a whole, and individual schools are linked to the broader community in a multitude of ways. The Board of Education places strong emphasis on community and parent involvement, and on community partnerships.

Community and Parent Involvement

All the schools of Living Sky Division have in common the importance of School Community Councils (SCCs) as mechanisms for connecting community and school. SCCs play a role in governance (described more fully in the next section) and most have established formal processes to foster community and parent involvement. A School Community Council Workshop is held annually in North Battleford and 25 members from individual School Community Councils attend. A number of sessions are offered to the participants. The event continues to be a professional development opportunity for SCC members.

Several parent meetings have been held throughout the 2012-13 school year to support parents and students with the understanding of the new assessment structure. The meetings have been well received in all communities.

Community Partnerships

Living School Division and individual schools within the Division have established a range of formal and informal community partnerships in order to promote student learning and ensure that students' school experience is positive and successful.

Three Hutterite colonies are located within the Division's boundaries and the Division has established schools in each of them. Provincial curricula is taught in the colony schools. The colony provides the school facility and looks after its upkeep. The School Division hires and supervises teachers and educational assistants in these schools. Special yearly meetings are held with all three of the Hutterite Colonies: Scott, Hillsvale and Lakeview Colonies. The goal is to promote greater dialogue about common issues that affect all students, especially the seventy Hutterian children. By including all of the Brethren Hierarchy, Senior administration and staff, our objective is to enhance communication. There are a number of mutual issues that continue to be discussed including: apprenticeships, SHEA, the renewed Kindergarten Curriculum, Student Services matters, and the new assessment initiatives. Respecting the diversity and unique character of the Hutterian schools is one of our guiding beliefs.

Living Sky School Division understands and recognizes that Elders have an important role in Aboriginal culture and tradition. As such, the Living Sky School Division Elders' Council provides guidance for the Board and school division staff. It ensures that the history and the traditions of the people are kept alive and shared in a truthful and honourable way. Elders provide a connection to the past and the future and ensure the survival of traditional ways and teachings. Further, Elders are acknowledged as valued members of the community. Living Sky School Division recognizes that a significant number of students within the public education system are of First Nations and Métis ancestry and the School Division provides a forum through the Elders' Council where First Nations and Métis Elders can provide advice to guide the Division in areas that pertain to First Nations and Métis education as well as to its overall programming.

In regard to practice, the Elders' Council provides ongoing direction and support to the Board of Education and staff regarding the Board's Operational Plan. The Elders' Council enhances and supports Living Sky School Division in all aspects of education. The Elders' Council serves to honour our ancestors, nurture all members of the community, and ensure all children's success.

A partnership has been established between numerous community organizations including Living Sky School Division, North West Regional College, Light of Christ School Division, Saskatchewan Indian Institute of Technologies, City of North Battleford, North West School Division, BATC Community Development Corporation, Prairie North Health Region and Battlefords Chamber of Commerce. Its mandate is to establish and strengthen partnerships among high schools, post secondary institutions, local businesses, aboriginal organizations and industry. These partners share a common goal, which is to encourage active participation from the business community in the career development of all youth in the northwest region. Projects this year ranged from Try-A-Trade which provided hands-on opportunities for students to 'try' the trades, a spotlight on forestry with a tour of three northern mills to explore the wealth of job opportunities that exist in the industry and an interactive entrepreneurship workshop for students which highlighted local businesspersons and provided opportunities for students to create a business plan.

Living Sky School Division has established a range of formal and informal partnerships in order to promote student learning and ensure that students' school experience is positive and successful. We have established partnerships with Prairie North Health District to support a PreK Speech Language Pathologist. This position allows each student within the PreK to have assessments completed and programs created for any speech or language difficulties. We also have established partnerships with our Early Learning Consultant and community daycares. This position allows programming support for those students with intensive needs entering licenced daycare facilities. The consultant works collaboratively with Battlefords Early Childhood Intervention Program (BECIP) as well as Prairie North Region Health Authority to ensure that strong programming is in place.

Living Sky School Division has established partnerships with Eagle's Nest Youth Ranch, Kid's First, Cognitive Disability Strategy and Youth in Custody. Each of the partnerships listed support programming for students and their families. As an example, Eagles Nest Youth Ranch has partnered with Living Sky School Division to allow for integration of 8 students during the 2012-13 school year into their Battleford/North Battleford community schools. Integrations have had their challenges, especially in the area of transition. Alternate supports for transition are being explored for the upcoming school year.

Governance

The Board of Education provides governance for Living Sky School Division as a whole and School Community Councils provide advice to individual schools.

The Board of Education

Living Sky School Division is governed by a ten-person elected Board of Education. *The Education Act, 1995* gives the Board of Education the authority to "administer and manage the educational affairs of the school division" and to "exercise general supervision and control over the schools in the school division".
The School Division is organized into eight subdivisions for purpose of elections, but once elected, the members of the Board of Education represent all students in the Division and are committed to providing the very best education possible for each and every student.

The current Board of Education was elected on October 24, 2012 and will serve a four-year term. Board of Education members are:

Subdivision 1	Ken Arsenault, Board Chair
Subdivision 2	Ron Kowalchuk
Subdivision 3	Todd Miller
Subdivision 4	Ronna Pethick
Subdivision 5	Kim Gartner
Subdivision 6	Jack Snell
City of North Battleford	Richard W. Hiebert
	Garth Link
	Glenn Wouters
Town of Battleford	Bob Foreman

A list of the remuneration paid to board members is provided in Appendix D.

School Community Councils

The Board of Education has established a School Community Council (SCC) for 24 of the 31 schools in Living Sky School Division.

The Education Regulations, 1986 require school divisions to undertake orientation, training, development and networking opportunities for their SCC members. In 2012-13 Living Sky School Division conducted the annual SCC Conference for the 24 SCCs. The Regulations also require School Community Councils to work with school staff to develop an annual school Learning Improvement Plan and to recommend that plan to the Board of Education.

School Community Councils are also expected to facilitate parent and community participation in planning and to provide advice to the Board of Education, the school's staff, and other agencies involved in the learning and development of students.

- The advice the SCCs give to the Board of Education encompasses policies, programs, and educational service delivery.
- The advice the SCCs give to the school staff relates to the school's programs.

SCCs enable the community to participate in educational planning and decision making, and promote shared responsibility for learning among community members, students and educators.

Representatives of the appropriate First Nations are encouraged to become members of the School Community Councils.

Our Students and Staff

The sections that follow provide information about the Living Sky School Division's students and staff.

Students

In 2012-13, 5635 students (including PreK) were enrolled with Living Sky School Division. This is very similar to enrolments in 2011-12 (5653 students) and in 2010-11 (5626 students).

Living Sky School Division's overall trend is for larger elementary classes. The economic stability and increase in new Canadians means the Battlefords and area will see a rise in enrolments over the next few years.

Figure 2: Enrolment by Grade – September 30

Grade	School Year		
	2010-11	2011-12	2012-13
Kindergarten	350	390	395
1	363	364	412
2	356	358	369
3	360	369	373
4	411	380	378
5	377	416	396
6	422	379	420
7	432	453	442
8	435	442	441
9	449	447	449
10	571	531	524
11	452	446	415
12	504	517	468
Total	5482	5492	5482

PreK Overall	144	161	153

Subpopulation Enrolments	Grades	School Year		
		2010-11	2011-12	2012-13
Self-Identified FNMI	K to 3	132	149	220
	4 to 6	155	142	196
	7 to 9	254	251	225
	10 to 12	450	391	344
	Total	991	933	985
English as an Additional Language	1 to 3	–	–	60
	4 to 6	–	–	59
	7 to 9	–	–	60
	10 to 12	–	–	43
	Total	–	–	222

NOTES:

1. Enrolment numbers are based on headcounts from Student Data Services (SDS) as of September 30 for each school year.
2. Enrolments includes all residency types, all ages, home based and home bound students, with the exception of EAL enrolments which exclude non-Saskatchewan residents, students 22 years and older, and home based students.
3. PreK enrolments are the 3- and 4-year-old enrolments on SDS which includes those children who occupy the ministry designated PreK spaces and those in other school division operated PreK or preschool programs.
4. A student's FNMI identity is established through self-identification.

SOURCE: Ministry of Education, 2013

Overall Enrolments

	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
2010-11	350	363	356	360	411	377	422	432	435	449	571	452	504	5482
2011-12	390	364	358	369	380	416	379	453	442	447	531	446	517	5492
2012-13	395	412	369	373	378	396	420	442	441	449	524	415	468	5482

PreK
144
161
153

Self-Identified FNMI Enrolments

	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
2010-11	30	34	35	33	46	50	59	76	71	107	196	96	158	991
2011-12	19	34	42	54	40	51	51	69	79	103	167	98	126	933
2012-13	45	52	56	67	63	60	73	64	75	86	161	82	101	985

EAL Enrolments

	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
2012-13		28	18	14	23	11	25	27	14	19	18	13	12	222

Staff

Figure 3 below provides an overview of all Division staff. An organizational chart showing the reporting structure is provided in Appendix B.

Figure 3: School Division Staff – 2012-13

Job Category	FTEs
Classroom Teachers	**383.673**
Principals/Vice Principals	**29.71**
Educational Staff	**238.11**
EA's (172.94)	
TA's (4.08)	
Secretaries (29.04)	
Library Techs/Assists (21.28)	
Community School Coordinator (1)	
School Liaison Workers (6)	
Alternate Language Worker (1)	
Nutrition Coordinator (.67)	
Cook (NBCHS) (1)	
Kitchen Aide (NBCHS) (.6)	
Social Worker (Phoenix) (.55)	
Transportation (Bus Drivers)	**66**
Caretakers	**48.85**
Counsellors	**11**
Occupational Therapists	**2**
Speech-Language Pathologists	**4.8**
Psychologists	**3.5**
Learning Consultants	**6**
Coordinator	**1**
Cando OOS Lifestyles & Addictions Counsellor, Traditional Cultural Worker, Student & Community Support, Justice Liaison Worker & Nutritionists	**6**
Central Office Support Executive Assistants, Communication, Administrative Assistants, HR & Payroll Assistants, Payroll Officers, Custodian, Accounting, Reception	**14**
Trades & Journeymen Facilities, Transportation & Cook	**12**
ICS (Information Communication Systems)	**6**
Assistant Managers	**6**
Managers	**6**
Senior Administration	**7**

Staff Profile – Living Sky School Division employs the full-time equivalent of 851.643 people. About half of these employees are teachers, the other half represent a wide range of occupations. The School Division needs educational assistants, clerical staff, information communication systems (ICS) people, caretakers, bus drivers, accountants and other staff in order to provide a quality education for students of the Division.

Senior Management Team – The Director of Education, Randy Fox, reports directly to the Board of Education and is responsible for the overseeing of the Division. The Chief Financial Officer, Lonny Darroch, reports directly to the Director of Education and is responsible for overseeing financial planning and analysis, strategic planning and risk management.

Brian Quinn, Superintendent of School Operations, Curriculum and Instruction; Cathy Herrick and Jim Shevchuk, Superintendents of Curriculum and Instruction are all responsible for teaching, learning and curriculum. Brenda Vickers, Superintendent of Human Resources is responsible for assessing and attending to all staffing requirements and for planning for future human resources needs; Nancy Schultz, Superintendent of Student Services is responsible for the leadership and support of student services personnel and for future student services needs.

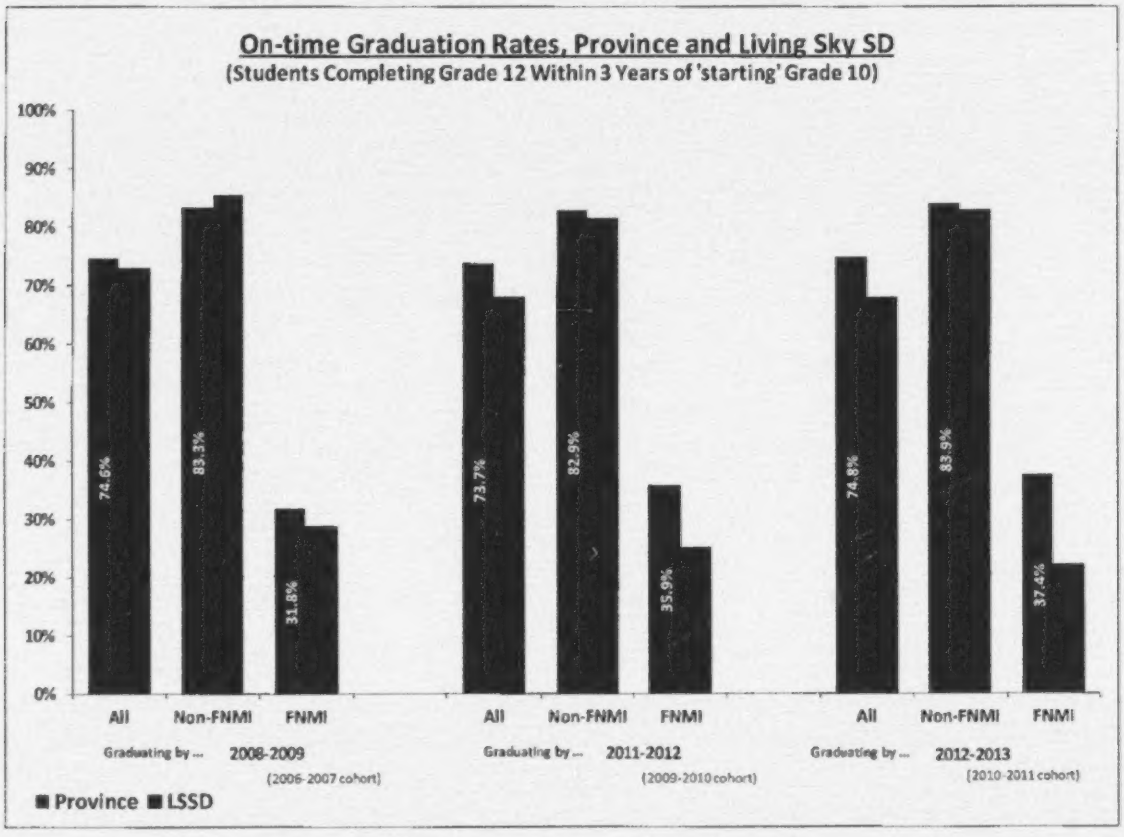
Higher Literacy and Achievement

Increased student literacy and achievement is a priority for Living Sky School Division. The indicators below illustrate student performance as informed by Division and provincial data.

Grade 12 Graduation

Three-Year Graduation Rates – There is a large difference between the graduation rate of First Nations and Métis students and non-First Nations and Métis students. Reducing this difference is one of the Division's most important goals. See Figure 4.

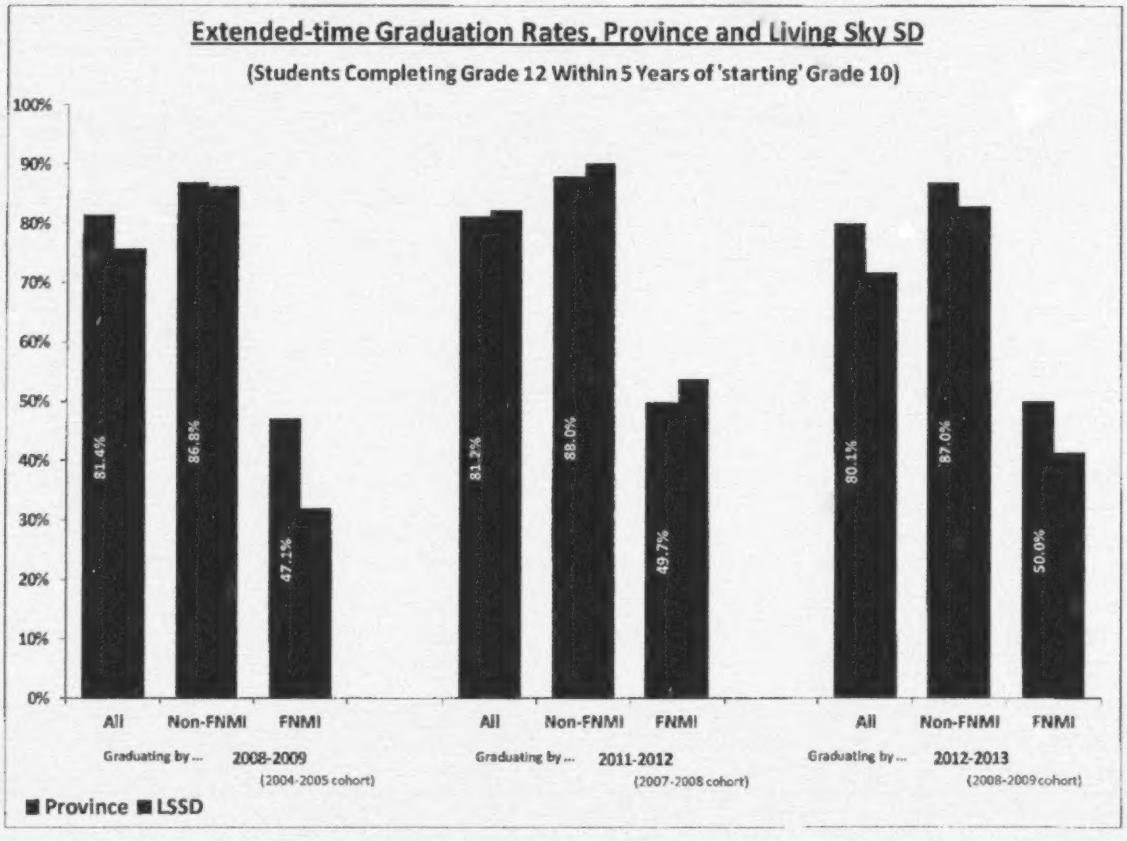
Figure 4: Grade 12 Graduation – Students Completing Grade 12 Within Three Years: Baseline Year with Two Most Recent Years



Note:
On-time graduation rates are calculated as the percentage of students who complete Grade 12 within 3 years of 'starting' Grade 10.
Results for populations of 10 or fewer have not been reported to avoid identifying individuals or very small groups of students.
FNMI students are those who choose to self-identify as First Nations (Registered/Treaty/Status Indian, Non-Status Indian), Métis, or Inuit/Inuk. Non-FNMI students are those who do not identify themselves to be FNMI, and may include FNMI students who choose not to self-identify.
Source: Ministry of Education, 2013

Five-Year Graduation Rates – Some students need more time to complete all the courses necessary to graduate, and so they continue in school longer than three years after beginning Grade 10. See Figure 5.

Figure 5: Grade 12 Graduation – Students Completing Grade 12 Within Five Years: Baseline Year with Two Most Recent Years



Note:
Extended-time graduation rates are calculated as the percentage of students who complete Grade 12 within 5 years of 'starting' Grade 10 (and include those who graduate on-time).
Results for populations of 10 or fewer have not been reported to avoid identifying individuals or very small groups of students.

FNMI students are those who choose to self-identify as First Nations (Registered/Treaty/Status Indian, Non-Status Indian), Métis, or Inuit/Inuk. Non-FNMI students are those who do not identify themselves to be FNMI, and may include FNMI students who choose not to self-identify.

Source: Ministry of Education, 2013

Average Final Marks

When registering for secondary level courses, students have many opportunities for choice.

Figure 6: Average Final Marks in Selected Secondary-Level Courses

Average Final Marks in Selected Secondary-Level Courses						
Subject	[illegible]		[illegible]		[illegible]	
	Province	Avon, [illegible]	Province	[illegible]	Province	Avon, [illegible]
English Language Arts A 10	71.4	66.3	74.3	72.9	59.4	48.8
English Language Arts B 10	71.6	71.4	74.1	75.0	60.1	58.3
Science 10	70.2	69.6	73.2	74.1	57.1	54.2
Math: Workplace and Apprenticeship 10	70.7	70.5	73.8	74.9	56.9	54.2
Math: Foundations and Pre-calculus 10	69.9	68.2	72.2	72.4	56.8	45.9
English Language Arts 20	72.5	69.8	74.2	73.8	62.5	54.6
Math: Workplace and Apprenticeship 20	66.5	65.7	68.5	68.6	60.4	56.9
Math: Foundations 20	71.7	69.7	73.1	72.1	62.0	52.6

Note:
Results for populations of 10 or fewer have not been reported to avoid identifying individuals or very small groups of students (nr).

FNMI students are those who choose to self-identify as First Nations (Registered/Treaty/Status Indian, Non-Status Indian), Métis, or Inuit/Inuk. Non-FNMI students are those who do not identify themselves to be FNMI, and may include FNMI students who choose not to self-identify.

Source: Ministry of Education, 2013

Equitable Opportunities

Strategies to Meet the Needs of Diverse Students

Serving All Students

Living Sky School Division strives to provide the best education possible for all its students. Each school offers programming that responds to the needs of its students such as: Prekindergarten and alternative programming for vulnerable students; distance education; English as an Additional Language programming; International Baccalaureate program; services and supports of educational psychologists, speech and language pathologists and occupational therapists. These programs and supports are intended to provide equitable opportunities for equitable outcomes for all students. The school division maintains a strong focus on the use of differentiated instruction to address the needs of students and to further engage students in their own learning. Student Services teachers work with all staff through co-teaching to support diversity in the classroom.

Living Sky School Division has the following alternate programming in place to meet the diverse needs of our students:

Phoenix and Manacowin Schools

The Alternate School Project was developed in an attempt to meet the needs of at-risk students in our community. The project's philosophy was built upon the belief that success for students is a journey requiring the support of all major stakeholders in the student's life. Students that are struggling with extreme behaviour are referred from community schools with the intent to provide structured behavioural interventions, differentiated instructional practices, and to develop close partnerships between home, school and outside agencies (Corrections and Policing, Social Services, Health). This systematic, planned approach with stakeholder partnerships increases the likelihood of student success both academically and behaviourally.

Structured Success (S2)

The Structured Success Class (S2) is an individualized, highly structured program designed to help children learn appropriate student-like behaviors and thus experience success in a classroom setting. All children in the class have encountered school difficulties, usually because some of their behaviors have interfered with their learning. This program is designed to meet the needs of students with social, emotional or behavioral challenges.

The ultimate goal is re-integration into a mainstream classroom. The process of reintegration is gradual, and varies, depending on how successfully the student is able to cope with the demands of a regular classroom. When a mainstream classroom teacher refers a child to S2, the child and their parents or guardians are invited to come for a visit first. The family is provided with an overview of the program and the expectations for involvement of the family. The prospective student is asked to identify behaviors he or she would like to work on with the support of home and school. These target behaviors are recorded on the registration contract. The contract also outlines expectations for parents, such as support for the program and being available when the student needs to be sent home. All parties concerned sign this contract.

During the 2012/2013 school year, both S2 programs have been functioning at full capacity (22 students). Plans are in place to graduate 11 students from the programs as they have learned coping skills and are ready to reintegrate to their home schools. There have been many challenges this year as some students entering the program have mental health challenges and do not fit the typical profile of a S2 student. This has prompted discussion and upcoming change to the S2 program for the 2013/2014 school year.

Smooth Transitions

Grade 7 to 10 Transitions

There are several critical transition points as students move through the Prekindergarten to Grade 12 education system. The transition from middle to secondary grades is particularly important. Figure 7 below shows that while the great majority of Living Sky students who begin Grade 7 are still in school three years later, the proportion of FNM students still in school three years later is lower than the proportion of all students. See Figure 7.

Figure 7: Student Transitions Between Grades 7 and 10, Living Sky School Division

	Grade 7 Cohort			Progressing from Grade 7 to 10 On-Time			Still In School
	2007-08 Baseline	2008-09	2009-10	2007-08 Cohort	2008-09 Cohort	2009-10 Cohort	2009-10 Cohort
All students	421	406	426	93.3%	90.6%	87.1%	93.4%
Non-FNMI students	na	na	320	na	na	92.5%	94.4%
FNMI students	92	96	106	81.5%	77.1%	70.8%	90.6%

Note:
Students who have not progressed to Grade 10 "on-time" may have remained in a previous grade or were not re-enrolled in subsequent years. "Still in School" is the proportion of students either in Grade 10 or continuing a previous grade.

Results for populations of 10 or fewer have not been reported to avoid identifying individuals or very small groups of students (nr). Categories where results are not available at this time are recorded as (na).

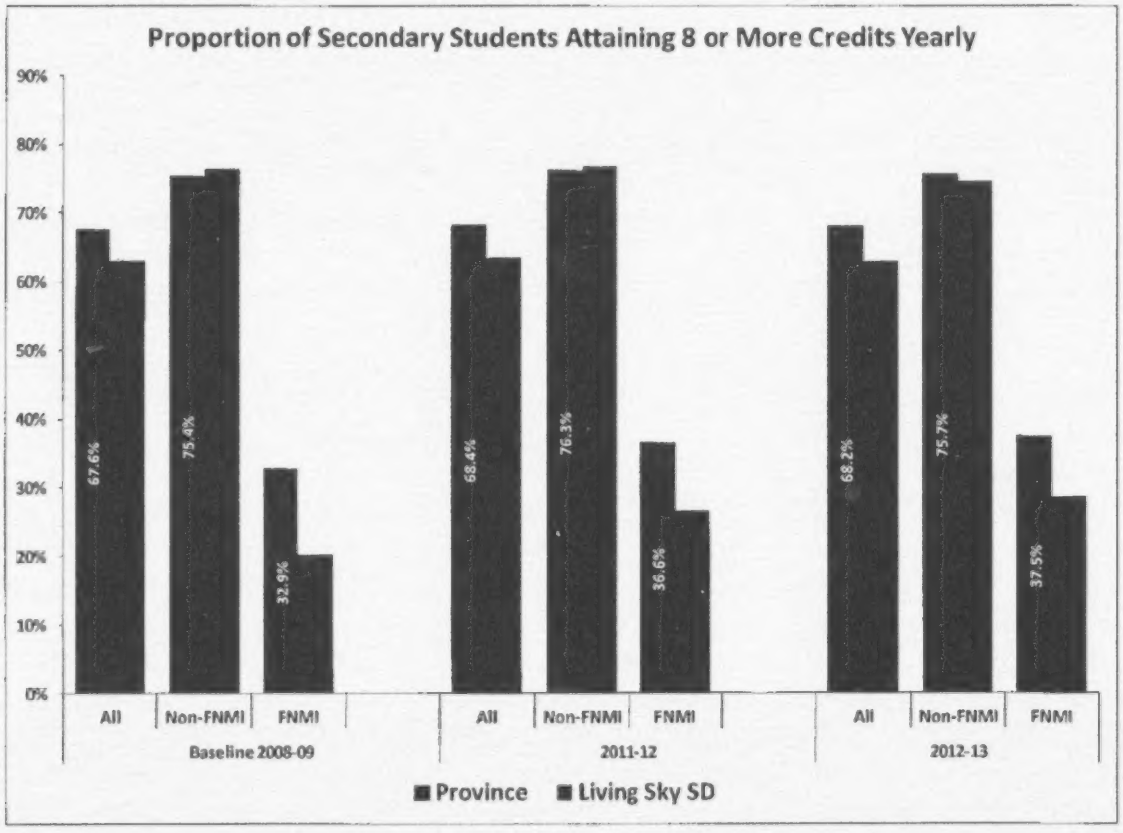
FNMI students are those who choose to self-identify as First Nations (Registered/Treaty/Status Indian, Non-Status Indian), Métis, or Inuit/Inuk. Non-FNMI students are those who do not identify themselves to be FNMI, and may include FNMI students who choose not to self-identify.

Source: Ministry of Education, 2013

Credit Attainment

Saskatchewan secondary students must accumulate at least 24 secondary-level credits in order to graduate. This means that to graduate within a three-year period after beginning Grade 10, students must accumulate at least eight credits per year. In recent years, the provincial results have been relatively stable at just under 70% of all students attaining 8 or more credits per year.

Figure 8: Proportion of Secondary Students Attaining 8 or More Credits per Year: Baseline Year with Two Most Recent Years



Note:
Results for populations of 10 or fewer have not been reported to avoid identifying individuals or very small groups of students.

FNMI students are those who choose to self-identify as First Nations (Registered/Treaty/Status Indian, Non-Status Indian), Métis, or Inuit/Inuk. Non-FNMI students are those who do not identify themselves to be FNMI, and may include FNMI students who choose not to self-identify.

Source: Ministry of Education, 2013

System Accountability and Governance

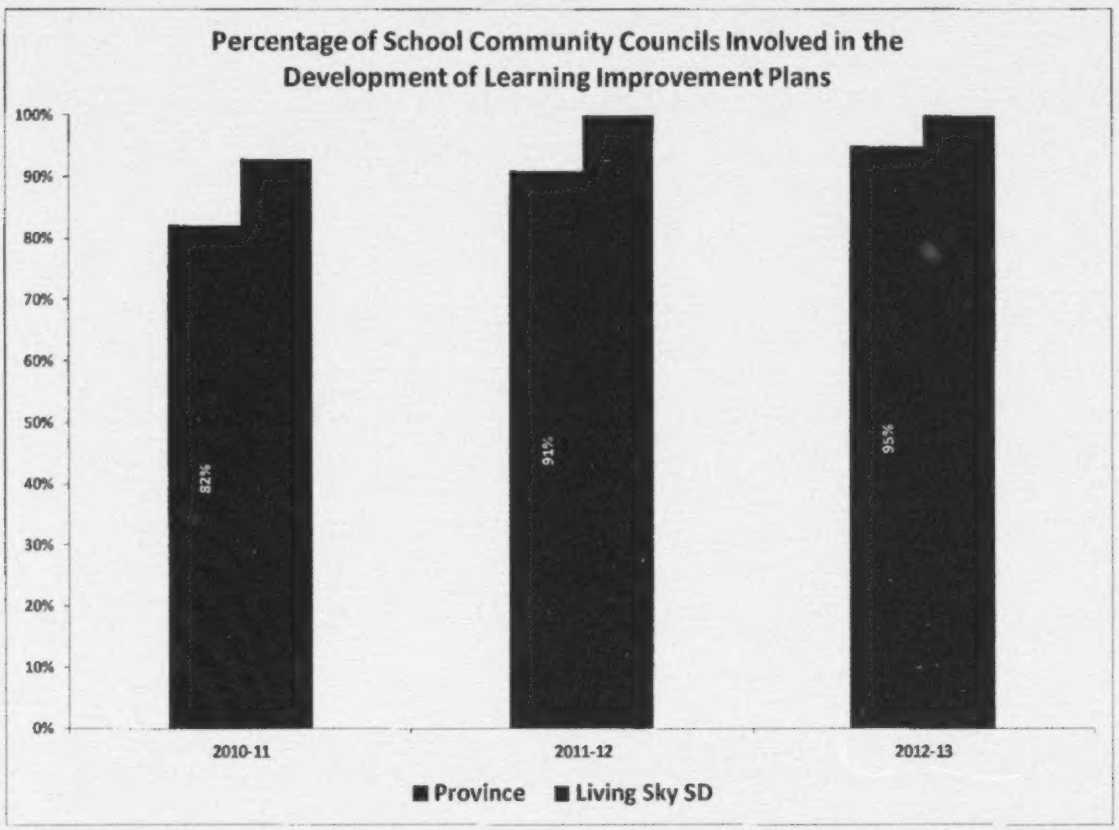
Living Sky School Division is committed to operational effectiveness, transparency and fiscal responsibility, and to the long-term stability of the education system in order to provide a high quality education for all students.

School Community Councils and Learning Improvement Plans

School Community Councils (SCCs) are required by legislation to cooperate with school staff to develop a school Learning Improvement Plan that is in accordance with the school division's strategic plan and to recommend the Learning Improvement Plan to the Board of Education.

During 2012-13, the SCCs of 24 of the 24 schools in Living Sky School Division developed Learning Improvement Plans (100%). See Figure 9.

Figure 9: Percentage of School Community Councils Involved in Development of Learning Improvement Plans



Source: Ministry of Education, 2013

Facilities and Transportation

Facilities

Living Sky School Division's facilities include:

- Twenty-five schools located in 15 communities. See Appendix C for a list of schools. The average age of these schools is 45 years. The oldest school is 86 years old; the newest is 17 years old.

- The school division head office is located in North Battleford. The central core of this building is 33 years old; two additions were added in 2012. The head office building is adequate in size for present needs.

- A bus garage and maintenance shops were added in 2012. The bus garages are used for maintenance and repair of school division vehicles. Each garage is located within a large fenced compound where buses can be parked or stored and each includes a bus wash station.

During the early 2000's a number of schools were closed due to population decline leaving the division with good utilization factors. Over the last few years, population growth and shifts have lead to only one school with below 60% utilization and four schools have 100% utilization factors.

The Division has always focused on facility condition to keep staff and students healthy and safe. With an overall condition index of 7 out of 10, the last few years have focused on replacing HVAC equipment throughout the division leaving few units that have not been replaced over the last five years.

Student Transportation

Much of Living Sky School Division is rural, so a significant number of students are transported to school. In city/town with a walking distance greater than .75 km the Division offers transportation, these communities include: Macklin, Luseland, Kerrobert, Unity, Wilkie, Battleford, North Battleford and Spiritwood.

Living Sky School Division offers transportation with a Division fleet of 111 buses of various sizes, five contracted companies and the use of taxi services in the Town of Battleford and the City of North Battleford to transport PreK students.

Figure 10: Student Transportation 2012-13

Students transported	2,784
Transportation routes	122
Kilometres travelled daily	18,070
Capacity utilized on buses	67%
Longest one-way ride time	100 Min.
Kilometers per year travelled on school trips	111,092
Cost per kilometre	$1.97

Financial Overview

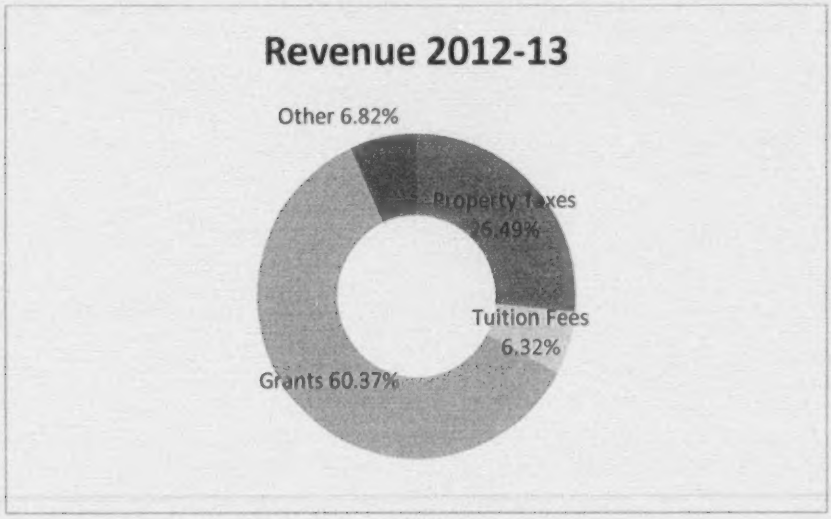
In 2012-13, as in previous years, Living Sky School Division's single largest expense was instruction. Instruction includes salaries and benefits for teachers and other staff who work with students, resource materials and classroom supplies. The second largest expense was physical plant – schools and their upkeep.

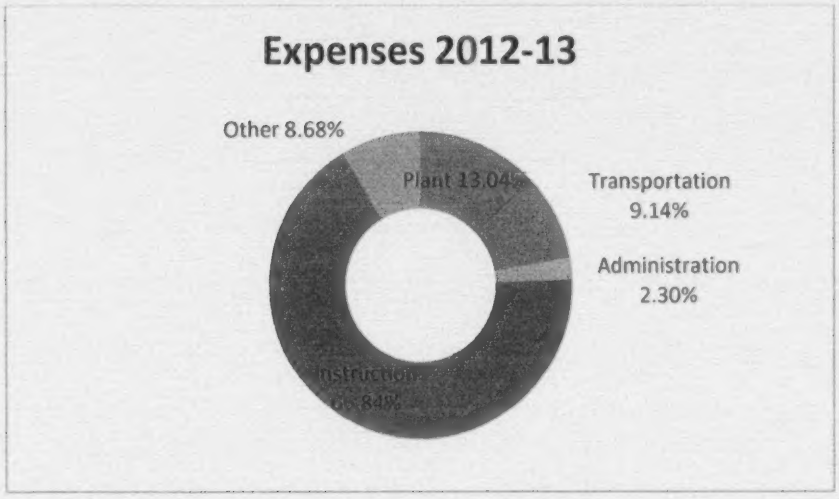
The largest single source of revenue was provincial grants, followed by property taxes.

Revenue and Expenses

Figure 11 below summarizes Living Sky School Division's main categories of revenues and expenditures in 2012-13.

Figure 11: Summary of Revenue and Expenses – 2012-13





Budget to Actual Expenditures and Variances

Figure 12 below summarizes Living Sky School Division's main categories of revenues and expenditures in 2012-13.

Figure 12: Summary of Revenue and Expenditures with Budget to Actual Comparison for the Fiscal Year September 1, 2012 to August 31, 2013

	2012 Actual	2013 Actual	2013 Budget	Budget to Actual Variance Over / (Under)	Budget to Actual % Variance	Note
REVENUES						
Property Taxation	20,535,472	19,354,422	20,649,081	(1,294,659)	-6%	1
Grants	46,975,172	44,103,697	43,997,119	106,578	0%	
Tuition and Related Fees	5,716,114	4,618,014	5,348,769	(730,755)	-14%	2
School Generated Funds	1,789,855	1,918,479	2,065,000	(146,521)	-7%	3
Complementary Services*	1,535,782	1,321,359	895,389	425,970	48%	4
External Services**	140,779	733,074	121,000	612,074	506%	5
Other	940,770	1,008,900	220,000	788,900	359%	6
Total Revenues	**77,633,944**	**73,057,945**	**73,296,358**	**(238,413)**	0%	
EXPENSES						
Governance	461,651	460,447	486,222	(25,775)	-5%	7
Administration	1,482,723	1,647,100	1,569,420	77,680	5%	8
Instruction	47,792,848	47,870,803	49,580,066	(1,709,263)	-3%	
Plant	9,595,648	9,338,047	10,147,348	(809,301)	-8%	9
Transportation	6,373,388	6,546,580	6,818,388	(271,808)	-4%	
Tuition and Related Fees	135,486	148,977	868,093	(719,116)	-83%	10
School Generated Funds	1,871,861	1,904,076	2,065,000	(160,924)	-8%	11
Complementary Services*	2,749,736	2,685,529	1,936,237	749,292	39%	12
External Services**	392,765	980,482	461,588	518,894	112%	13
Other	46,464	33,484	90,000	(56,516)	-63%	14
Total Expenses	**70,902,570**	**71,615,525**	**74,022,362**	**(2,406,837)**	**-3%**	
Surplus (Deficit) for the Year	**6,731,374**	**1,442,420**	**(726,004)**	**2,168,424**	**-299%**	

* Complementary services are services and programs where the primary purpose is other that K-12 learning/learning support, but which have the specific objective of enhancing the School Division's ability to successfully deliver its K-12 curriculum/learning programs. For example, Prekindergarten and nutrition programs.

** External services are services and programs that are outside of the School Division's learning/learning support and complementary programs. These services have no direct link to the delivery of the School Division's K-12 program nor do they directly enhance the School Division's ability to deliver its K-12 programs. For example, fees paid to the School Division to or on behalf of its associate schools and cafeteria operations.

Explanation for Variances

1. This was a year of reassessment and the lower mill rates resulted in lower tax levy.
2. The budget was based on 460 tuition paying students but the actual number was 419.
3. There was less fundraising in 2012-13. The offset of this can be seen in School Generated Funds Expense (Note 11).

4. The Division originally budgeted dollars in Grant revenue that were eventually coded to Complementary Services revenue.
5. The Division originally budgeted fees received on behalf of associate schools to Grant revenue that were originally coded to External Services revenue.
6. The Division received refunds for insurance claims, commodity tax review, expense reimbursement and had rentals that were not budgeted.
7. Board of Education expenses and grants to School Community Councils were less than budgeted.
8. Amortization was more than budgeted and telephone expenses were coded to Administration instead of Instruction.
9. A change in accounting policy resulted in some renovations being reclassified as asset additions. Utility costs and amortization were less than budgeted.
10. The Division budgeted associate school expenses that were eventually coded to External Services expense.
11. See not 3.
12. The Division budgeted dollars in Instruction expense that were eventually coded to Complementary Services expenses.
13. See note 10.
14. The Division budgeted for an Allowance for Uncollectible Taxes that was not set up.

Appendix A: Management Report and Audited Financial Statements

August 31, 2013

Living Sky School Division No. 202
Report of Management

The School Division's management is responsible for the preparation of the financial statements in accordance with Canadian public sector accounting standards and the format specified in the *2012-13 Financial Reporting Manual for School Divisions* issued by the Ministry of Education. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized, with certainty, until future periods.

The school division's management maintains a system of accounting and administrative controls to ensure that accurate and reliable financial statements are prepared and to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Education is composed of elected officials who are not employees of the School Division. The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting, and internal control, and for approving the financial statements. The Board is also responsible for the appointment of the School Division's external auditors.

The external auditors (*Holm Clements Kwong Svenkeson Raiche)*, conduct an independent examination in accordance with Canadian auditing standards and express their opinion on the financial statements. The accompanying Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the School Division's financial statements. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

On behalf of Living Sky School Division No. 202

Board Chair

CEO/Director of Education

Chief Financial Officer

November 20, 2013 (month, day, year)

Audited financial statements for the 2012-13 fiscal year will follow the Management Report.

Government of Saskatchewan
Ministry of Education

Auditor's Report and Financial Statement

Of the Living Sky School Division No. 202

School Division No. 2020500

For the Period Ending: August 31, 2013

Lonny R Darroch
Chief Financial Officer

Holm Clements Kwong Svenkeson Raiche
Auditor

Note - Copy to be sent to Ministry of Education, Regina

Management's Responsibility for the Financial Statements

The school division's management is responsible for the preparation of the financial statements in accordance with Canadian public sector accounting standards and the format specified in the Financial Reporting Manual issued by the Ministry of Education. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The school division's management maintains a system of accounting and administrative controls to ensure that accurate and reliable financial statements are prepared and to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Education is composed of elected officials who are not employees of the school division. The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and for approving the financial statements. The Board is also responsible for the appointment of the school division's external auditors.

The external auditors, Holm Clements Kwong Svenkeson Raiche, conduct an independent examination in accordance with Canadian auditing standards and express their opinion on the financial statements. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the school division's financial statements. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

On behalf of the Living Sky School Division No. 202:

Board Chair

CEO/Director of Education

Chief Financial Officer

November 20, 2013

Holm Clements Kwong Svenkeson Raiche

Chartered Accountants

1321 – 101st Street
North Battleford, Saskatchewan S9A 0Z9
Telephone: (306) 445-6291 Facsimile: (306) 445-3882
Email: info@jhsca.ca

INDEPENDENT AUDITOR'S REPORT

To the Chairman and Board Members of
Living Sky School Division No. 202

Report on the Financial Statements

We have audited the accompanying financial statements of Living Sky School Division No. 202, which comprise the statement of financial position as at August 31, 2013, and the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Living Sky School Division No. 202 as at August 31, 2013, and the results of its operations, change in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Holm Clements Kwong Svenkeson Raiche

North Battleford, Saskatchewan
November 20, 2013

Chartered Accountants

G.K. Holm, CA* W.J. Clements, CA* G.D. Kwong, CMA, CA* B.W. Svenkeson, CA* L.A. Raiche, CA, CFP*
*Denotes a Professional Corporation

CA

Living Sky School Division No. 202
Statement of Financial Position
as at August 31, 2013

	2013	2012
Financial Assets		
Cash and Cash Equivalents	17,677,095	19,092,994
Accounts Receivable (Note 8)	13,445,820	13,529,252
Portfolio Investments (Note 4)	123,698	129,312
Total Financial Assets	**31,246,613**	**32,751,558**
Liabilities		
Provincial Grant Overpayment	-	13,950
Accounts Payable and Accrued Liabilities (Note 9)	2,337,671	3,008,111
Long Term Debt (Note 10)	500,000	600,000
Liability for Employee Future Benefits (Note 6)	1,573,000	1,562,000
Deferred Revenue (Note 11)	3,634,321	2,238,362
Total Liabilities	**8,044,992**	**7,422,423**
Net Financial Assets	**23,201,621**	**25,329,135**
Non-Financial Assets		
Tangible Capital Assets (Schedule C)	39,938,952	36,376,618
Prepaid Expenses	173,903	166,303
Total Non-Financial Assets	**40,112,855**	**36,542,921**
Accumulated Surplus (Note 14)	**63,314,476**	**61,872,056**
Accumulated Surplus is comprised of:		
Accumulated surplus from operations	**63,314,476**	**61,872,056**
Accumulated remeasurement gains and losses	-	-
Total Accumulated Surplus (Note 14)	**63,314,476**	**61,872,056**

Contractual Obligations and Commitments (Note 17)

The accompanying notes and schedules are an integral part of these statements

Approved by the Board:

Chairperson

Chief Financial Officer

Living Sky School Division No. 202

Statement of Operations and Accumulated Surplus from Operations
for the year ended August 31, 2013

	2013 Budget (Note 15)	2013 Actual	2012 Actual
REVENUES			
Property Taxation	20,649,081	19,354,422	20,535,472
Grants	43,997,119	44,103,697	46,975,172
Tuition and Related Fees	5,348,769	4,618,014	5,716,114
School Generated Funds	2,065,000	1,918,479	1,789,855
Complementary Services (Note 12)	895,389	1,321,359	1,535,782
External Services (Note 13)	121,000	733,074	140,779
Other	220,000	1,008,900	940,770
Total Revenues (Schedule A)	**73,296,358**	**73,057,945**	**77,633,944**
EXPENSES			
Governance	486,222	460,447	461,651
Administration	1,569,420	1,647,100	1,482,723
Instruction	49,580,066	47,870,803	47,792,848
Plant	10,147,348	9,338,047	9,595,648
Transportation	6,818,388	6,546,580	6,373,388
Tuition and Related Fees	868,093	148,977	135,486
School Generated Funds	2,065,000	1,904,076	1,871,861
Complementary Services (Note 12)	1,936,237	2,685,529	2,749,736
External Services (Note 13)	461,588	980,482	392,765
Other Expenses	90,000	33,484	46,464
Total Expenses (Schedule B)	**74,022,362**	**71,615,525**	**70,902,570**
Operating Surplus (Deficit) for the Year	**(726,004)**	**1,442,420**	**6,731,374**
Accumulated Surplus from Operations, Beginning of Year	**61,872,056**	**61,872,056**	**55,140,682**
Accumulated Surplus from Operations, End of Year	**61,146,052**	**63,314,476**	**61,872,056**

The accompanying notes and schedules are an integral part of these statements

Living Sky School Division No. 202

Statement of Changes in Net Financial Assets
for the year ended August 31, 2013

	2013 Budget (Note 15)	2013 Actual	2012 Actual
Net Financial Assets, Beginning of Year	**25,329,135**	**25,329,135**	**22,748,182**
Changes During the Year:			
Operating Surplus (Deficit) for the Year	(726,004)	1,442,420	6,731,374
Acquisition of Tangible Capital Assets (Schedule C)	(1,559,000)	(6,488,014)	(6,709,288)
Proceeds on Disposal of Tangible Capital Assets (Schedule C)	-	12,412	-
Net Loss (Gain) on Disposal of Capital Assets (Schedule C)	-	(12,412)	-
Amortization of Tangible Capital Assets (Schedule C)	2,319,761	2,925,680	2,548,062
Net Change in Other Non-Financial Assets	-	(7,600)	10,805
Change in Net Financial Assets / Net Debt	**34,757**	**(2,127,514)**	**2,580,953**
Net Financial Assets, End of Year	**25,363,892**	**23,201,621**	**25,329,135**

The accompanying notes and schedules are an integral part of these statements

Living Sky School Division No. 202
Statement of Cash Flows
for the year ended August 31, 2013

	2013	2012
OPERATING ACTIVITIES		
Operating Surplus for the Year	1,442,420	6,731,374
Add Non-Cash Items Included in Surplus (Schedule D)	2,913,268	2,548,062
Net Change in Non-Cash Operating Activities (Schedule E)	798,401	(1,639,570)
Cash Provided (Used) by Operating Activities	**5,154,089**	**7,639,866**
CAPITAL ACTIVITIES		
Cash Used to Acquire Tangible Capital Assets	(6,488,014)	(6,709,288)
Proceeds on Disposal of Tangible Capital Assets	12,412	-
Cash Used by Capital Activities	**(6,475,602)**	**(6,709,288)**
INVESTING ACTIVITIES		
Proceeds on Disposal of Portfolio Investments	5,614	144,399
Cash Provided by Investing Activities	**5,614**	**144,399**
FINANCING ACTIVITIES		
Repayment of Long Term Debt	(100,000)	(100,000)
Cash Used by Financing Activities	**(100,000)**	**(100,000)**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(1,415,899)**	**974,977**
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	**19,092,994**	**18,118,017**
CASH AND CASH EQUIVALENTS, END OF YEAR	**17,677,095**	**19,092,994**
REPRESENTED ON THE FINANCIAL STATEMENTS BY:		
Cash and Cash Equivalents	17,677,095	19,092,994
CASH AND CASH EQUIVALENTS, END OF YEAR	**17,677,095**	**19,092,994**

The accompanying notes and schedules are an integral part of these statements

Living Sky School Division No. 202

Schedule A: Supplementary Details of Revenue

for the year ended August 31, 2013

	2013 Budget	2013 Actual	2012 Actual
Property Taxation Revenue			
Tax Levy Revenue:			
Property Tax Levy Revenue	21,246,534	19,771,038	21,372,436
Total Property Tax Revenue	**21,246,534**	**19,771,038**	**21,372,436**
Grants in Lieu of Taxes:			
Federal Government	100,000	88,176	101,172
Provincial Government	225,000	208,233	231,261
Railways	300	1,875	-
Other	90,000	39,773	106,157
Total Grants in Lieu of Taxes	**415,300**	**338,057**	**438,590**
Other Tax Revenues:			
Treaty Land Entitlement - Rural	-	-	6,800
House Trailer Fees	14,325	10,439	8,579
Total Other Tax Revenues	**14,325**	**10,439**	**15,379**
Additions to Levy:			
Penalties	235,000	139,286	182,536
Total Additions to Levy	**235,000**	**139,286**	**182,536**
Deletions from Levy:			
Discounts	(1,100,000)	(838,808)	(1,260,106)
Cancellations	(162,078)	(65,590)	(213,363)
Total Deletions from Levy	**(1,262,078)**	**(904,398)**	**(1,473,469)**
Total Property Taxation Revenue	**20,649,081**	**19,354,422**	**20,535,472**
Grants:			
Operating Grants			
Ministry of Education Grants:			
K-12 Operating Grant	43,772,119	41,660,507	46,388,268
Other Ministry Grants	-	153,745	-
Total Ministry Grants	**43,772,119**	**41,814,252**	**46,388,268**
Grants from Others	225,000	258,889	177,590
Total Operating Grants	**43,997,119**	**42,073,141**	**46,565,858**
Capital Grants			
Ministry of Education Capital Grants	-	2,030,556	112,808
Other Provincial Capital Grants	-	-	296,506
Total Capital Grants	**-**	**2,030,556**	**409,314**
Total Grants	**43,997,119**	**44,103,697**	**46,975,172**

Living Sky School Division No. 202

Schedule A: Supplementary Details of Revenue for the year ended August 31, 2013

	2013 Budget	2013 Actual	2012 Actual
Tuition and Related Fees Revenue			
Operating Fees:			
Tuition Fees:			
School Boards	-	-	-
Federal Government and First Nations	5,348,769	4,625,657	5,708,748
Total Tuition Fees	**5,348,769**	**4,625,657**	**5,708,748**
Transportation Fees	-	(7,643)	7,366
Total Operating Tuition and Related Fees	**5,348,769**	**4,618,014**	**5,716,114**
Total Tuition and Related Fees Revenue	**5,348,769**	**4,618,014**	**5,716,114**
School Generated Funds Revenue			
Curricular Fees:			
Student Fees	200,000	136,166	134,349
Total Curricular Fees	**200,000**	**136,166**	**134,349**
Non-Curricular Fees:			
Commercial Sales - Non-GST	260,000	151,645	159,708
Fundraising	750,000	975,878	694,338
Grants and Partnerships	55,000	27,115	51,362
Students Fees	400,000	427,102	416,380
Other	400,000	200,573	333,718
Total Non-Curricular Fees	**1,865,000**	**1,782,313**	**1,655,506**
Total School Generated Funds Revenue	**2,065,000**	**1,918,479**	**1,789,855**
Complementary Services			
Operating Grants:			
Ministry of Education Operating Grants:			
Ministry of Education-Foundation Operating Grant	826,889	1,135,401	1,243,440
Ministry of Education Grants-Other	10,000	23,080	16,308
Other Grants	10,000	74,957	82,546
Total Operating Grants	**846,889**	**1,233,438**	**1,342,294**
Fees and Other Revenue			
Tuition and Related Fees	5,500	34,774	27,989
Gain on Disposal of Capital Assets	-	-	
Other Revenue	43,000	53,147	165,499
Total Fees and Other Revenue	**48,500**	**87,921**	**193,488**
Total Complementary Services Revenue	**895,389**	**1,321,359**	**1,535,782**

Living Sky School Division No. 202
Schedule A: Supplementary Details of Revenue
for the year ended August 31, 2013

	2013 Budget	2013 Actual	2012 Actual
External Services			
Operating Grants:			
Ministry of Education Operating Grants:			
Ministry of Education-Foundation Operating Grant	-	567,427	-
Ministry of Education Grants-Other	-	21,000	20,000
Total Operating Grants	-	**588,427**	**20,000**
Fees and Other Revenue			
Tuition and Related Fees	-	-	240
Other Revenue	121,000	144,647	120,539
Total Fees and Other Revenue	**121,000**	**144,647**	**120,779**
Total External Services Revenue	**121,000**	**733,074**	**140,779**
Other Revenue			
Miscellaneous Revenue	15,000	449,185	410,281
Sales & Rentals	55,000	269,327	287,057
Investments	150,000	277,976	243,432
Gain on Disposal of Capital Assets		12,412	
Total Other Revenue	**220,000**	**1,008,900**	**940,770**
TOTAL REVENUE FOR THE YEAR	**73,296,358**	**73,057,945**	**77,633,944**

Living Sky School Division No. 202
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2013

	2013 Budget	2013 Actual	2012 Actual
Governance Expense			
Board Members Expense	185,022	182,640	161,358
Professional Development- Board Members	31,000	-	15,961
Advisory Committees	51,000	34,747	30,522
Professional Development- Advisory Committees	6,000	-	-
Elections	20,000	20,450	-
Other Governance Expenses	192,000	222,610	253,810
Amortization of Tangible Capital Assets	1,200	-	-
Total Governance Expense	**486,222**	**460,447**	**461,651**
Administration Expense			
Salaries	1,034,901	985,877	887,718
Benefits	171,218	169,527	135,420
Supplies & Services	107,700	75,717	70,096
Non-Capital Furniture & Equipment	35,000	46,588	70,623
Building Operating Expenses	92,601	105,225	50,488
Communications	48,500	137,315	182,656
Travel	22,000	14,410	14,842
Professional Development	37,500	17,507	21,455
Amortization of Tangible Capital Assets	20,000	94,934	49,425
Total Administration Expense	**1,569,420**	**1,647,100**	**1,482,723**
Instruction Expense			
Instructional (Teacher & LEADS Contract) Salaries	33,236,087	32,891,818	32,720,746
Instructional (Teacher & LEADS Contract) Benefits	1,522,592	1,815,804	1,693,250
Program Support (Non-Teacher Contract) Salaries	8,230,968	7,589,535	7,150,853
Program Support (Non-Teacher Contract) Benefits	1,449,597	1,594,221	1,420,781
Instructional Aids	1,666,025	974,190	1,413,942
Supplies & Services	658,071	638,693	946,982
Non-Capital Furniture & Equipment	749,865	277,468	442,155
Communications	402,292	186,450	199,254
Travel	249,391	285,865	289,070
Professional Development	762,920	464,718	635,007
Student Related Expense	302,258	327,902	323,856
Amortization of Tangible Capital Assets	350,000	824,139	556,952
Total Instruction Expense	**49,580,066**	**47,870,803**	**47,792,848**

Living Sky School Division No. 202
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2013

	2013 Budget	2013 Actual	2012 Actual
Plant Operation & Maintenance Expense			
Salaries	2,819,722	2,833,622	2,711,290
Benefits	638,827	675,264	637,759
Supplies & Services	10,925	7,099	11,982
Non-Capital Furniture & Equipment	89,321	14,444	25,844
Building Operating Expenses	5,044,467	4,349,411	4,778,795
Communications	4,160	6,773	7,671
Travel	48,568	70,584	61,480
Professional Development	16,358	11,859	9,257
Amortization of Tangible Capital Assets	1,475,000	1,368,991	1,351,570
Total Plant Operation & Maintenance Expense	**10,147,348**	**9,338,047**	**9,595,648**
Student Transportation Expense			
Salaries	1,762,231	1,681,448	1,504,552
Benefits	322,691	341,502	289,236
Supplies & Services	790,000	791,866	779,174
Non-Capital Furniture & Equipment	400,000	477,168	571,632
Building Operating Expenses	-	5,198	-
Communications	19,500	18,904	19,824
Travel	2,000	1,021	1,447
Professional Development	20,000	5,969	4,499
Contracted Transportation	3,031,905	2,589,437	2,616,457
Amortization of Tangible Capital Assets	470,061	634,067	586,567
Total Student Transportation Expense	**6,818,388**	**6,546,580**	**6,373,388**
Tuition and Related Fees Expense			
Tuition Fees	868,093	148,977	71,728
Other Fees	-	-	63,758
Total Tuition and Related Fees Expense	**868,093**	**148,977**	**135,486**
School Generated Funds Expense			
Supplies & Services	135,000	93,403	99,021
Cost of Sales	425,000	389,872	370,189
Non-Capital Furniture & Equipment	90,000	2,508	7,111
Special Programs	-	31,349	-
School Fund Expenses	1,415,000	1,386,944	1,395,540
Amortization of Tangible Capital Assets	-	-	-
Total School Generated Funds Expense	**2,065,000**	**1,904,076**	**1,871,861**

Living Sky School Division No. 202
Schedule B: Supplementary Details of Expenses
for the year ended August 31, 2013

	2013 Budget	2013 Actual	2012 Actual
Complementary Services Expense			
Tuition Fees	-	15,698	13,520
Administration Salaries & Benefits	-	-	125,998
Instructional (Teacher & LEADS Contract) Salaries & Benefits	505,860	509,118	580,110
Program Support (Non-Teacher Contract) Salaries & Benefits	1,343,927	1,957,561	1,802,688
Instructional Aids	-	31,755	35,422
Supplies & Services	86,450	148,931	173,266
Non-Capital Furniture & Equipment	-	11,749	16,078
Building Operating Expenses	-	5,958	-
Communications	-	483	463
Travel	-	1,811	1,115
Professional Development (Non-Salary Costs)	-	1,525	208
Student Related Expenses	-	940	758
Contracted Transportation & Allowances	-	-	110
Total Complementary Services Expense	**1,936,237**	**2,685,529**	**2,749,736**
External Service Expense			
Administration Salaries & Benefits	10,000	-	-
Instructional (Teacher & LEADS Contract) Salaries & Benefits	-	508,295	-
Program Support (Non-Teacher Contract) Salaries & Benefits	96,288	102,298	108,184
Supplies & Services	155,000	172,863	137,243
Non-Capital Furniture & Equipment	-	-	4,040
Building Operating Expenses	11,500	35,752	-
Communications	-	2,157	-
Travel	1,000	-	-
Professional Development (Non-Salary Costs)	-	3,344	-
Contracted Transportation & Allowances	184,300	152,224	139,750
Amortization of Tangible Capital Assets	3,500	3,549	3,548
Total External Services Expense	**461,588**	**980,482**	**392,765**

Living Sky School Division No. 202

Schedule B: Supplementary Details of Expenses

for the year ended August 31, 2013

	2013 Budget	2013 Actual	2012 Actual
Other Expense			
Allowance for Uncollectible Taxes	50,000	-	-
Interest and Bank Charges:			
Current Interest and Bank Charges	-	1,518	8,417
Interest on Debentures			
School Facilities	-	-	38,047
Interest on Other Capital Loans and Long Term Debt			
School Facilities	40,000	31,966	-
Total Interest and Bank Charges	**40,000**	**33,484**	**46,464**
Total Other Expense	**90,000**	**33,484**	**46,464**
TOTAL EXPENSES FOR THE YEAR	**74,022,362**	**71,615,525**	**70,902,570**

Living Sky School Division No. 202

Schedule C - Supplementary Details of Tangible Capital Assets
for the year ended August 31, 2013

	Land	Land Improvements	Buildings	Buildings Short term	School Buses	Other Vehicles	Furniture and Equipment	Computer Hardware and Audio Equipment	Computer Software	Work-in-Progress	2013	2012
Tangible Capital Assets - at Cost:												
Opening Balance as of September 1	1,002,194		79,073,533	1,553,351	8,411,640	323,019	10,288,650	2,037,950	237,085	153,900	103,081,322	96,372,034
Additions/Purchases			3,924,327	-	564,497	88,971	766,778	890,655	252,786		6,488,014	6,709,288
Disposals					(770,358)						(770,358)	
Transfers to (from)			153,900							(153,900)	-	
Closing Balance as of August 31	1,002,194	-	83,151,760	1,553,351	8,205,779	411,990	11,055,428	2,928,605	489,871	-	108,798,978	103,081,322
Tangible Capital Assets - Amortization:												
Opening Balance as of September 1			51,545,302	941,913	4,465,170	219,016	8,122,805	1,316,202	94,296		66,704,704	64,156,642
Amortization of the Period			1,423,971	61,993	526,924	60,171	352,603	402,044	97,974		2,925,680	2,548,062
Disposals					(770,358)						(770,358)	
Closing Balance as of August 31	N/A	-	52,969,273	1,003,906	4,221,736	279,187	8,475,408	1,718,246	192,270	N/A	68,860,026	66,704,704
Net Book Value:												
Opening Balance as of September 1	1,002,194		27,528,231	611,438	3,946,470	104,003	2,165,845	721,748	142,789	153,900	36,376,618	32,215,392
Closing Balance as of August 31	1,002,194	-	30,182,487	549,445	3,984,043	132,803	2,580,020	1,210,359	297,601	-	39,938,952	36,376,618
Change in Net Book Value	-	-	2,654,256	(61,993)	37,573	28,800	414,175	488,611	154,812	(153,900)	3,562,334	4,161,226
Disposals:											770,358	
Historical Cost					770,358						(770,358)	
Accumulated Amortization	-	-	-	-	(770,358)	-	-	-	-	-	-	-
Net Cost					-						12,412	
Price of Sale					12,412						12,412	-
Gain/loss on Disposal	-	-	-	-	12,412	-	-	-	-	-	-	
Net Book Value (NBV) of Assets Pledged as Security for Debt											-	

Living Sky School Division No. 202
Schedule D: Non-Cash Items Included in Surplus
for the year ended August 31, 2013

	2013	2012
Non-Cash Items Included in Surplus:		
Amortization of Tangible Capital Assets (Schedule C)	2,925,680	2,548,062
Net Gain on Disposal of Tangible Capital Assets	(12,412)	-
Total Non-Cash Items Included in Surplus	**2,913,268**	**2,548,062**

Living Sky School Division No. 202
Schedule E: Net Change in Non-Cash Operating Activities
for the year ended August 31, 2013

	2013	2012
Net Change in Non-Cash Operating Activities:		
Decrease (Increase) in Accounts Receivable	83,432	(1,381,164)
Increase (Decrease) in Provincial Grant Overpayment	(13,950)	13,950
Decrease In Accounts Payable and Accrued Liabilities	(670,440)	(820,957)
Increase in Liability for Employee Future Benefits	11,000	100,100
Increase in Deferred Revenue	1,395,959	437,696
Decrease (Increase) in Prepaid Expenses	(7,600)	10,805
Total Net Change in Non-Cash Operating Activities	**798,401**	**(1,639,570)**

1. AUTHORITY AND PURPOSE

The School Division operates under the authority of *The Education Act, 1995* of Saskatchewan as a corporation under the name of "The Board of Education of the Living Sky School Division No. 202" and operates as "Living Sky School Division No. 202". The School Division provides education services to residents within its geographic region and is governed by an elected board of trustees.

The School Division is funded mainly by grants from the Government of Saskatchewan and a levy on the property assessment included in the School Division's boundaries at mill rates determined by the provincial government. The School Division is exempt from income tax and is a registered charity under the *Income Tax Act.*

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian public sector accounting standards for other government organizations as established by the Public Sector Accounting Board (PSAB) and as published by the Canadian Institute of Chartered Accountants (CICA).

Significant aspects of the accounting policies adopted by the School Division are as follows:

a) Adoption of New Public Sector Accounting (PSA) Standards

In 2013, the school division adopted the new PSA standards PS1201 Financial Statement Presentation, PS2601 Foreign Currency Translation, PS3041 Portfolio Investments, PS3410 Government Transfers and PS3450 Financial Instruments.

Detailed information on the impact of the adoption of these new PSA standards is provided in Note 18 Accounting Changes.

b) Reporting Entity

The financial statements include all of the assets, liabilities, revenues and expenses of the School Division reporting entity.

c) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay. Expenses also include the amortization of tangible capital assets.

d) Measurement Uncertainty and the Use of Estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year.

Measurement uncertainty that may be material to these financial statements exist for:

- The liability for employee future benefits of $1,573,000 (2012: $1,562,000) because actual experience may differ significantly from actuarial estimations.
- Property tax revenue of $19,354,422 (2012: $20,535,472) because final tax assessments may differ from initial estimates.

- Uncollectible taxes of $341,407 (2012: $341,407) because actual collectability may differ from initial estimates.
- Useful lives of tangible capital assets and related amortization of $2,925,680 (2012: $2,548,062).
- Valuation allowance for Other Receivables of $504,063 (2012: Nil) because actual collectability may differ from amount invoiced.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

While best estimates are used for reporting items subject to measurement uncertainty, it is reasonably possible that changes in future conditions, occurring within one fiscal year, could require material changes in the amounts recognized or disclosed.

e) Financial Instruments

Financial instruments are any contracts that give rise to financial assets of one entity and financial liabilities or equity instruments of another entity. A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The school division recognizes a financial instrument when it becomes a party to a financial instrument. The financial assets and financial liabilities portray these rights and obligations in financial statements. Financial instruments of the school division include cash and cash equivalents, accounts receivable, portfolio investments, accrued salaries and benefits, accounts payable, accrued liabilities, and long term debt.

Financial instruments are assigned to one of two measurement categories: fair value, or cost or amortized cost.

f) Fair Value

Fair value measurement applies to portfolio investments in equity instruments that are quoted in an active market. Any associated transaction costs are expensed upon initial recognition. Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, at which time they are transferred to the statement of operations.

Fair value is determined by:
Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities,
Level 2 inputs other than quoted prices that are observable for the asset or liability either directly, (i.e. as prices) or indirectly (i.e. derived from prices); and,
Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When a decline in fair value is determined to be other than temporary, the amount of the loss is removed from any accumulated remeasurement gains and reported in the statement of operations.

Foreign currency transactions are translated at the exchange rate prevailing at the date of the transactions. Monetary assets and liabilities, and non-monetary items included in the fair value measurement category denominated in foreign currencies, are translated into Canadian dollars at the exchange rate prevailing at the financial statement date. Unrealized foreign exchange gains and losses are recognized in the statement of remeasurement gains and losses until they are realized, at which time they are transferred to the statement of operations.

g) **Cost or Amortized Cost**

All other financial assets and financial liabilities are measured at cost or amortized cost. Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Impairment losses such as write-downs or write-offs are reported in the statement of operations. Gains and losses on financial instruments measured at cost or amortized cost are recognized in the consolidated statement of operations in the period the gain or loss occurs.

h) **Financial Assets**

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Valuation allowances are used where considered necessary to reduce the amounts reported for financial assets to their net realizable value.

Cash and Cash Equivalents consist of cash and bank deposits and highly liquid investments with initial maturity terms of three months or less and held for the purpose of meeting short-term operating cash commitments rather than for investing purposes.

Accounts Receivable includes taxes receivable, provincial grants receivable and other receivables. Taxes receivable represent education property taxes assessed or estimated owing to the end of the fiscal period but not yet received. The allowance for uncollected taxes is a valuation allowance used to reduce the amount reported for taxes receivable to the estimated net recoverable amount. The allowance represents management's estimate of the amount of taxes that will not be collected taking into consideration prior years' tax collections and information provided by municipalities regarding collectability of outstanding balances. Provincial grants receivable represent operating, capital, and other grants earned but not received at the end of the fiscal year, provided reasonable estimates of the amounts can be made. Grants are earned when the events giving rise to the grant have occurred, the grant is authorized and any eligibility criteria have been met. Other receivables are recorded at cost less valuation allowances. These allowances are recorded where collectability is considered doubtful.

Portfolio Investments consist of term deposits and equity in co-operatives. The school division values its portfolio investments in accordance with its policy for financial instruments, as described in Note 2 (f).

i) **Non-Financial Assets**

Non-financial assets are assets held for consumption in the provision of services. These assets do not normally provide resources to discharge the liabilities of the School Division unless they are sold.

Tangible Capital Assets have useful lives extending beyond the accounting period, are used by the School Division to provide services to the public and are not intended for sale in the ordinary course of operations. Tangible capital assets include land, buildings, school buses, other vehicles, furniture and equipment, computer hardware and software, and assets under construction. Tangible capital assets are recorded at cost and include all costs directly attributable to the acquisition, design, construction, development, installation and betterment of the tangible capital asset. The School Division does not capitalize interest incurred while a tangible capital asset is under construction.

The cost of depreciable tangible capital assets, net of any residual value, is amortized on a straight line basis over their estimated useful lives as follows:

Buildings	50 years
Buildings – short-term (portables, storage sheds, outbuildings, garages)	20 years
School buses	12 years
Other vehicles – passenger and light duty trucks and vans	5 years
Furniture and equipment	10 years
Computer hardware and audio visual equipment	5 years
Computer software	5 years

Prepaid Expenses are prepaid amounts for goods or services such as, Saskatchewan School Board Association fees, legal fees and insurance, which will provide economic benefits in one or more future periods.

j) Liabilities

Liabilities are present obligations arising from transactions and events occurring prior to year-end, which will be satisfied in the future through the use of assets or another form of economic settlement.

Provincial Grant Overpayment represents government transfers (grants) advanced to the School Division in excess of the determined entitlement and which are repayable to the provincial government.

Accounts Payable and Accrued Liabilities include accounts payable and accrued liabilities owing to third parties and employees for work performed, goods supplied and services rendered, but not yet paid, at the end of the fiscal period. Amounts are payable within one year.

Long-Term Debt is comprised of capital loans with initial maturities of more than one year and are incurred for the purpose of financing capital expenditures in accordance with the provisions of *The Education Act, 1995*

Liability for Employee Future Benefits represent post-employment and compensated absence benefits that accrue to the School Division's employees. The cost of these benefits is recorded as the benefits are earned by employees. The liability relating to these benefits is actuarially determined using the projected benefit method pro-rated on service and management's best estimate of expected discount rate, inflation, salary escalation, termination and retirement rates and mortality. Actuarial gains and losses are amortized on a straight line basis over the expected average remaining service life of the related employee groups. Actuarial valuations are performed periodically. An actuary extrapolates these valuations when a valuation is not done in the current fiscal year.

Recognition of employee future benefits obligations commenced on September 1, 2008. The School Division recorded the full value of the obligation related to these benefits for employees' past service at this time.

Deferred revenue from non-government sources represents fees or payments for services received in advance of the fee being earned or the services being performed, and other contributions for which the contributor has placed restrictions on the use of the resources. Revenue from tuition and related fees is recognized as the course is delivered, revenue from contractual services is recognized as the services are delivered, and revenue from

other contributions is recognized in the fiscal year in which the resources are used for the purpose specified by the contributor.

k) Employee Pension Plans

The School Division's employees participate in one of the following multi-employer defined benefit plans:

i) Teachers participate in the retirement plan of the Saskatchewan Teachers' Retirement Plan (STRP) or Saskatchewan Teachers' Superannuation Plan (STSP). The School Division's obligation for these plans is limited to collecting and remitting contributions of the employees at rates determined by the plans.

ii) Other employees participate in the Municipal Employees' Pension Plan (MEPP). In accordance with PSAB, the plan is accounted for as a defined contribution plan whereby the School Division's contributions are expensed when due.

l) Revenue Recognition

Revenues are recorded on the accrual basis. Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues, provided the amount to be received can be reasonably estimated and collection is reasonably assured.

The School Division's sources of revenue include the following:

i) Government Transfers (Grants):

Grants from governments are considered to be government transfers. In accordance with the new PS3410 standard, government transfers are recognized as revenues when the transfer is authorized, all eligibility criteria have been met, the amount can be estimated and collection is reasonably assured except when, and to the extent, stipulations by the transferor give rise to an obligation that meets the definition of a liability. Eligibility criteria are criteria that the school division has to meet in order to receive the transfer. Stipulations describe how the school division must use the transfer or the actions it must perform in order to keep the transfer.

Government transfers with eligibility criteria but without stipulations are recognized as revenue when the transfer is authorized and all eligibility criteria have been met.

Government transfers with or without eligibility criteria but with stipulations are recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met, except when and to the extent that the stipulations give rise to a liability. Restricted transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Stipulations by the transferor may require that the funds only be used for providing specific services or the acquisition of tangible capital assets. For transfers with stipulations, revenue is recognized in the statement of operations as the stipulation liabilities are settled.

ii) Property taxation:

Property tax is levied and collected on a calendar year basis. Uniform education property tax mill rates are set by the Government of Saskatchewan. Tax revenues are recognized on the basis of time with $1/12^{th}$ of estimated total tax revenue recorded in each month of the School Division's fiscal year. The tax revenue for the September to December portion of the fiscal year is based on the actual amounts reported by the municipalities for the calendar taxation year. For the January to August portion of its fiscal year, the School Division estimates tax revenue based on estimate information provided by municipalities who levy and collect the property tax on behalf of the School Division.

The final annual taxation amounts are reported to the School Division by each municipality following the conclusion of each calendar taxation year, and any difference between final amounts and the School Division's estimates is recorded as an adjustment to revenue in the next fiscal year.

iii) Fees and Services

Revenues from tuition fees and other fees and services are recognized in the year they are earned. Amounts that are restricted pursuant to legislation, regulation or agreements with external parties that may only be used in the conduct of certain programs or in the delivery of specific services and transactions are initially recorded as deferred revenue and subsequently recognized as revenue in the fiscal year the related expenses are incurred or services are performed.

iv) Interest Income

Interest is recognized on an accrual basis when it is earned.

v) Other (Non-Government Transfer) Contributions

Unrestricted contributions are recognized as revenue in the year received or in the year the funds are committed to the school division if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions are contributions for which the contributor has placed restrictions on the use of the resources. Externally restricted contributions that are to be held in perpetuity are recognized as revenue in the year in which they are received or committed if the amount can be reasonably estimated and collection is reasonably assured. Externally restricted contributions that are not held in perpetuity are deferred until the resources are used for the purpose specified, at which time the contributions are recognized as revenue. In-kind contributions are recorded at their fair value when they are received.

m) Statement of Remeasurement Gain and Losses

The school division has not presented a Statement of Remeasurement Gains and Losses because it does not have financial instruments that give rise to remeasurement gains and losses.

3. SHORT-TERM BORROWINGS

Bank indebtedness consists of a demand operating line of credit with a maximum borrowing limit of $10,000,000 that bears interest at Bank prime rate less 0.50% per annum. This line of credit is authorized by a borrowing resolution by the Board of Education and is secured by Provincial Grant receipts. This line of credit was approved by the Minister of Education on October 29, 2010. There was no balance outstanding on the line of credit at August 31, 2013 or August 31, 2012.

4. PORTFOLIO INVESTMENTS

Portfolio investments are comprised of the following:

	2013		2012	
		Cost		Cost
Portfolio investments in the cost and amortized cost category:				
Term deposits		$ 88,600		$ 88,600
Total portfolio investments reported at cost and amortized cost		**$ 88,600**		**$ 88,600**
Portfolio investments in the fair value category:	**Cost**	**Fair Value**	**Cost**	**Fair Value**
Credit Union Shares	$ 5	$ 5	$ 5	$ 5
Credit Union Equity	10,000	10,000	10,520	10,520
Member Equity in Co-op Organizations	25,093	25,093	30,187	30,187
Total portfolio investments reported at fair value	**$ 35,098**	**$ 35,098**	**$ 40,712**	**$ 40,712**
Total portfolio investments		**$ 123,698**		**$ 129,312**

5. EXPENSES BY FUNCTION AND ECONOMIC CLASSIFICATION

Function	Salaries & Benefits	Goods & Services	Debt Service	Amortization of TCA	2013 Budget	2013 Actual	2012 Actual
Governance	$ 182,640	$ 277,807	-	$ -	$ 486,222	$ 460,447	$461,651
Administration	1,155,404	396,762	-	94,934	1,569,420	1,647,100	1,482,723
Instruction	43,891,378	3,155,286	-	824,139	49,580,066	47,870,803	47,792,848
Plant	3,508,886	4,460,170	-	1,368,991	10,147,348	9,338,047	9,595,648
Transportation	2,022,950	3,889,563	-	634,067	6,818,388	6,546,580	6,373,388
Tuition and Related Fees	-	148,977	-	-	868,093	148,977	135,486
School Generated Funds	-	1,904,076	-	-	2,065,000	1,904,076	1,871,861
Complementary Services	2,466,679	218,850	-	-	1,936,237	2,685,529	2,749,736
External Services	610,593	366,340	-	3,549	461,588	980,482	392,765
Other	-	-	33,484	-	90,000	33,484	46,464
TOTAL	**$53,838,530**	**$14,817,831**	**$ 33,484**	**$ 2,925,680**	**$74,022,362**	**$71,615,525**	**$70,902,570**

6. EMPLOYEE FUTURE BENEFITS

The School Division provides certain post-employment and compensated absence benefits to its employees. These benefits include: non-vested sick leave payout, retirement gratuity, vacation banks and paid-time-off banks. These benefits generally accumulate with employee service and benefit amounts are determined with reference to employees' final earnings at the time they are paid out. Significant assumptions include discount rate, inflation and salary scale. The liability associated with these benefits is calculated at the present value of expected future payments pro-rated for service and is recorded as Liability for Employee Future Benefits in the Statement of Financial Position.

Details of the employee future benefits are as follows:

	2013	2012
Actuarial valuation date	08/31/2013	08/31/2012
Long-term assumptions used:		
Salary escalation rate (percentage)	3.25%	3.25%
Discount rate (percentage)	3.50%	2.70%
Inflation rate (percentage)	2.25%	2.25%
Expected average remaining service life (years)	13	13

Liability for Employee Future Benefits	**2013**	**2012**
Accrued Benefit Obligation – beginning of year	**$ 1,789,400**	**$ 1,553,100**
Current period benefit cost	144,600	119,900
Interest cost	49,500	55,500
Benefit payments	(201,400)	(82,600)
Actuarial (gains) / losses	(136,400)	143,500
Plan amendments	-	-
Accrued Benefit Obligation – end of year	**1,645,700**	**1,789,400**
Unamortized Net Actuarial Gains / Losses	**(72,700)**	**(227,400)**
Liability for Employee Future Benefits	**$ 1,573,000**	**$ 1,562,000**

Employee Future Benefits Expense	**2013**	**2012**
Current period benefit cost	$ 144,600	$ 119,900
Amortization of net actuarial gain / loss	18,300	7,300
Plan amendments	-	-
Benefit cost	**162,900**	**127,200**
Interest cost on unfunded employee future benefits obligation	49,500	55,500
Total Employee Future Benefits Expense	**$ 212,400**	**$ 182,700**

7. PENSION PLANS

Multi-Employer Defined Benefit Plans

Information on the multi-employer pension plans to which the School Division contributes is as follows:

i) Saskatchewan Teachers' Retirement Plan (STRP) or Saskatchewan Teachers' Superannuation Plan (STSP):

The STRP and STSP provide retirement benefits based on length of service and pensionable earnings.

The STRP and STSP are funded by contributions by the participating employee members and the Government of Saskatchewan. The School Division's obligation to the STRP and STSP is limited to collecting and remitting contributions of the employees at rates determined by the plans. Accordingly, these financial statements do not include any expense for employer contributions to these plans. Net pension assets or liabilities for these plans are not reflected in these financial statements as ultimate responsibility for retirement benefits rests with the Saskatchewan Teachers' Federation for the STRP and with the Government of Saskatchewan for the STSP.

Details of the contributions to these plans for the School Division's employees are as follows:

	2013			2012
	STRP	STSP	TOTAL	TOTAL
Number of active School Division members	505	35	540	526
Member contribution rate (percentage of salary)	7.8%-10.00%	6.05%-7.85%	6.05%-10.00%	6.05%-10.00%
Member contributions for the year	$2,608,484	$104,454	$2,712,938	$2,657,073

ii) Municipal Employees' Pension Plan (MEPP)

The MEPP provides retirement benefits based on length of service and pensionable earnings.

The MEPP is funded by employer and employee contributions at rates set by the Municipal Employees' Pension Commission.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees which could affect future contribution rates and/or benefits.

The contributions to the MEPP by the participating employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for this plan are not recognized in these financial statements. In accordance with PSAB requirements, the plan is accounted for as a defined contribution plan whereby the School Division's contributions are expensed when due.

Details of the MEPP are as follows:

	2013	2012
Number of active School Division members	491	477
Member contribution rate (percentage of salary)	7.40% - 8.15%	7.40%
School Division contribution rate (percentage of salary)	7.40% - 8.15%	7.40%
Member contributions for the year	$1,097,759	$ 957,034
School Division contributions for the year	$1,097,759	$ 957,034
Actuarial valuation date	31 Dec 12	31 Dec 11
Plan Assets (in thousands)	$ 1,578,536	$ 1,395,109
Plan Liabilities (in thousands)	$ 1,420,319	$ 1,627,865
Plan Surplus (Deficit) (in thousands)	$ 158,217	$ (232,756)

8. ACCOUNTS RECEIVABLE

All accounts receivable presented in the Statement of Financial Position are net of any valuation allowances for doubtful accounts. Details of account receivable balances and allowances are as follows:

	2013			2012		
	Total Receivables	Valuation Allowance	Net of Allowance	Total Receivables	Valuation Allowance	Net of Allowance
Taxes Receivable	$ 9,690,281	$ 341,407	$9,348,874	$ 10,254,634	$ 341,407	$9,913,227
Provincial Grants Receivable	1,200,125	-	1,200,125	356,778	-	356,778
Other Receivables	3,400,884	504,063	2,896,821	3,259,247	-	3,259,247
Total Accounts Receivables	**$ 14,291,290**	**$ 845,470**	**$13,445,820**	**$ 13,870,659**	**$ 341,407**	**$13,529,252**

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Details of account payable and accrued liabilities are as follows:

	2013	2012
Accrued Salaries	$ 982,892	$ 903,992
Supplier Payments	1,354,779	2,104,119
Total Accounts Payable and Accrued Liabilities	**$ 2,337,671**	**$ 3,008,111**

10. LONG-TERM DEBT

Details of long-term debt are as follows:

Capital Loan	2013	2012
Innovation Credit Union – loan repayable in annual principal installments of $100,000 plus interest at 6.00% paid monthly	$ 500,000	$ 600,000
Total Long-Term Debt	**$ 500,000**	**$ 600,000**

Principal repayments over the next 5 years are as follows:	
2014	$ 100,000
2015	$ 100,000
2016	$ 100,000
2017	$ 100,000
2018	$ 100,000
Total	**$ 500,000**

Principal and interest payments on long-term debt are as follows:		
	2013	2012
Principal	$ 100,000	$ 100,000
Interest	$ 31,966	$ 38,047
Total	**$ 131,966**	**$ 138,047**

11. DEFERRED REVENUE

Details of deferred revenues are as follows:

	Balance as at Aug. 31, 2012	Additions during the Year	Revenue recognized in the Year	Balance as Aug. 31, 2013
Capital Projects:				
Federal Capital Tuition	$ 918,108	$ 193,207	$ -	$ 1,111,315
Total Capital Projects Deferred Revenue	**$ 918,108**	**$ 193,207**	**$ -**	**$ 1,111,315**
Other Deferred Revenue:				
Cash Receipts from Municipalities Exceeding Tax Assessments	$ 1,285,254	$ 1,237,752	-	$ 2,523,006
Sask. Arts Board Grant	35,000	-	(35,000)	$ -
Total Other Deferred Revenue	**$ 1,320,254**	**$ 1,237,752**	**$ (35,000)**	**$ 2,523,006**
Total Deferred Revenue	**$ 2,238,362**	**$ 1,430,959**	**$ (35,000)**	**$ 3,634,321**

12. COMPLEMENTARY SERVICES

Complementary services represent those services and programs where the primary purpose is other than K-12 learning/learning support, but which have the specific objective of enhancing the School Division's ability to successfully deliver its K-12 curriculum/learning programs.

Following is a summary of the revenue and expenses of the Complementary Services programs operated by the School Division in 2013 and 2012:

Summary of Complementary Services Revenues and Expenses, by Program	Pre-K Programs	Community and Inter-Agency Liaison	Other Programs	2013	2012
Revenue:					
Grants	$ 580,547	$ 554,853	$ 98,037	$ 1,233,437	$ 1,342,294
Tuition and Related Fees	-	-	34,775	34,775	27,989
Miscellaneous Revenue	-	-	53,147	53,147	165,499
Total Revenue	**$ 580,547**	**$ 554,853**	**$ 185,959**	**$ 1,321,359**	**$ 1,535,782**
Expenses:					
Tuition Fees	15,698	-	-	15,698	13,520
Salaries & Benefits	633,862	1,761,459	71,358	2,466,679	2,508,796
Instructional Aids	24,323	-	7,432	31,755	35,423
Supplies and Services	-	-	154,889	154,889	173,266
Non-Capital Equipment	11,749	-	-	11,749	16,078
Communications	-	-	483	483	462
Travel	1,811	-	-	1,811	1,115
Professional Development	1,525	-	-	1,525	208
Student Related Expenses	275	-	665	940	758
Contracted Transportation & Allowances	-	-	-	-	110
Total Expenses	**689,243**	**1,761,459**	**234,827**	**2,685,529**	**2,749,736**
Deficiency of Revenue over Expenses	**$ (108,696)**	**$ (1,206,606)**	**$ (48,868)**	**$ (1,364,170)**	**$ (1,213,954)**

The purpose and nature of each Complementary Services program is as follows:
Pre-K Programs – provides support to early intervention programs that target pre-school age children and their families who are living in vulnerable circumstances.
Community and Inter-Agency Liaison – supports the delivery of a range of diverse and comprehensive supports and effective practices that address the complex needs of vulnerable students and that help eliminate learning barriers.
Other Programs – have the objective of enhancing the K-12 curriculum/learning programs and include such things as nutrition programs.

13. EXTERNAL SERVICES

External services represent those services and programs that are outside of the School Division's learning/learning support and complementary programs. These services have no direct link to the delivery of the School Division's K-12 programs nor do they directly enhance the School Division's ability to deliver its K-12 programs.

Following is a summary of the revenue and expenses of the External Services programs operated by the School Division in 2013 and 2012:

Summary of External Services Revenues and Expenses, by Program	Cafeteria	Associate Schools	Other Programs	2013	2012
Revenue:					
Grants	$ -	$ 567,427	$ 21,000	$ 588,427	$ 20,000
Tuition and Related Fees	-	-	-	-	240
Miscellaneous Revenue	-	-	-	-	-
Sales and Rentals	142,770	-	1,877	144,647	120,539
Total Revenue	**142,770**	**567,427**	**22,877**	**733,074**	**140,779**
Expenses:					
Salaries & Benefits	102,298	508,295	-	610,593	108,184
Supplies and Services	172,863	-	-	172,863	137,243
Building Operating Expenses	-	28,670	9,239	37,909	4,039
Travel	-	-	-	-	-
Professional Development	-	3,244	100	3,344	-
Contracted Transportation & Allowances	-	-	152,224	152,224	139,750
Amortization of Tangible Capital Assets	-	-	3,549	3,549	3,549
Total Expenses	**275,161**	**540,209**	**165,112**	**980,482**	**392,765**
Excess (Deficiency) of Revenue over Expenses	**($132,391)**	**$27,218**	**($142,235)**	**($247,408)**	**($251,986)**

The purpose and nature of each External Services program is as follows:
Cafeteria – provides meals to students, staff and the general public.
Other Programs – are services that have no direct link to the K-12 program and include staff residences and extra-curricular transportation.

Summary of Associate School Revenues and Expenses - Details by School	Heritage Christian School	Meadow Lake Christian Academy	2013	2012
Revenue:				
Operating Grants	$ 398,498	$ 168,929	$ 567,427	$ -
Total Revenue	**398,498**	**168,929**	**567,427**	
Expenses:				
Salaries & Benefits	370,633	137,662	508,295	499,331
Building Operating Expenses	28,670	-	28,670	26,113
Professional Development	2,956	288	3,244	4,764
Total Expenses	**402,259**	**137,950**	**540,209**	**530,208**
Excess (Deficiency) of Revenue over Expenses	**$ (3,761)**	**$ 30,979**	**$ 27,218**	**$ (530,208)**

14. ACCUMULATED SURPLUS

Accumulated Surplus represents the financial assets and non-financial assets of the School Division less liabilities. This represents the accumulated balance of net surplus arising from the operations of the School Division, including school generated funds.

Accumulated surplus is comprised of the following two amounts:

i) Accumulated surplus (deficit) from operations, which represents the accumulated balance of net surplus arising from the operations of the school division and school generated funds as detailed in the table below; and

ii) Accumulated remeasurement gains and losses, which represents the unrealized gains and losses associated with foreign exchange and changes in value for financial instruments recorded at fair value.

Certain amounts of the Accumulated Surplus from operations, as approved by the Board of Education, have been designated for specific future purposes. These internally restricted amounts are included in the Accumulated Surplus from operations presented in the Statement of Financial Position. The School Division does not maintain separate bank accounts for the internally restricted amounts.

Details of accumulated surplus are as follows:

	August 31 2012	Additions during year	Reductions during year	August 31 2013
Invested in Tangible Capital Assets:				
Net Book Value of Tangible Capital Assets	$ 36,376,618	$6,488,014	$ (2,925,680)	$ 39,938,952
Less: Debt owing on Tangible Capital Assets	(600,000)	-	100,000	(500,000)
	35,776,618	**6,488,014**	**(2,825,680)**	**39,438,952**
PMR maintenance project allocations (1)	-	**681,573**	**(681,573)**	-
Internally Restricted Surplus:				
Capital Projects:				
Designated for tangible capital assets expenditures	11,400	-	-	11,400
	11,400	-	-	**11,400**
Other:				
School generated funds	757,565	16,317	-	773,882
Scholarship funds	199,241	-	(13,550)	185,691
Other – Tax Loss Compensations	3,819,650	-	-	3,819,650
Other – Future Expenditure	4,748,106	-	(2,222,681)	2,525,425
Other – Bus Replacement	163,728	-	-	163,728
	9,688,290	**16,317**	**(2,236,231)**	**7,468,376**
Unrestricted Surplus	**16,395,748**			**16,395,748**
Total Accumulated Surplus from Operations	**$61,872,056**	**$7,185,904**	**$ (5,743,484)**	**$63,314,476**

(1) PMR Maintenance Project Allocations represent transfers received from the Ministry of Education as funding support for maintenance projects on the school division's approved 3 year capital maintenance plans. Unspent funds at the end of a fiscal year are designated for future approved capital plan maintenance project expenditures.

The purpose and nature of each Internally Restricted Surplus amount is as follows:
School generated funds – the amount of funds held in the school-based bank accounts.
Scholarship funds – the amount of funds donated to provide scholarships.
Tax Loss Compensations – the amount of tax loss compensation from Treaty Land Entitlement receipts.
Future Expenditure – the amount for future capital expenditures.
Bus Replacement – the amount for bus replacements.

15. BUDGET FIGURES

Budget figures included in the financial statements were approved by the Board of Education on May 23, 2012, and the Minister of Education on August 10, 2012.

16. RELATED PARTIES

These financial statements include transactions with related parties. The School Division is related to all Province of Saskatchewan ministries, agencies, boards, school divisions, health authorities, colleges, and crown corporations under the common control of the Government of Saskatchewan. The School Division is also related to non-crown enterprises that the Government jointly controls or significantly influences. In addition, the School Division is related to other non-government organizations by virtue of its economic interest in these organizations.

Related Party Transactions:

Transactions with these related parties are in the normal course of operations. Amounts due to or from and the recorded amounts of transactions resulting from these transactions are included in the financial statements and the table below. They are recorded at exchange amounts which approximate prevailing market rates charged by those organizations and are settled on normal trade terms.

A portion of the revenue from the Ministry of Education includes funding allocated to principal and interest repayments on some school division loans.

	2013	2012
Revenues:		
Ministry of Education	$ 45,739,299	$ 48,314,115
Sask Workers' Compensation Board	53,674	11,661
Light of Christ School Division No. 16	21,952	47,213
North West Regional College	222,468	219,316
Sask Power Corp	-	31,701
Saskatchewan Rivers School Division No. 119	56,742	53,481
SGI	258,889	115,340
Ministry of Finance	1,654	125,628
Sask Arts Board	43,000	8,000
Sask Culture	-	25,000
Conseil Scolaire	11,255	6,847
Other	1,000	1,950
	$ 46,409,933	$ 48,960,252
Expenses:		
Good Spirit School Division No. 204	$ 21,239	$ 20,863
Light of Christ School Division No. 16	20,000	20,000
Ministry of Finance	3,703	4,335
North West Regional College	129,590	153,545
Northwest School Division No. 203	-	525
Prairie North Health Region	-	36,128
Saskatoon School Division No. 13	2,895	9,050
St. Paul's R.C.S.S.D. No. 20	20,000	15,500
Western Development Museum	3,208	1,062
Sask Tel	267,950	323,651
SGI Auto Fund	70,566	47,145
Sask Energy	719,817	671,564
Sask Power Corp	882,969	883,695
Sask Workers' Compensation Board	131,152	161,630
Sun West School Division No. 207	24,000	16,000
Regina School Division No. 4	415	4,070
Other	5,275	13,236
	$ 2,302,779	$ 2,381,999

	2013	2012
Accounts Receivable:		
Ministry of Education	$ 1,200,125	$ 510,429
Light of Christ School Division No. 16	10,657	44,743
North West Regional College	20,968	29,959
Conseil Scolaire	-	6,847
	$ 1,231,750	**$ 591,978**
Tangible Capital Asset Additions:		
Sask Tel	$ 294,510	$ 662,139
	$ 294,510	**$ 662,139**
Accounts Payable and Accrued Liabilities:		
Light of Christ School Division No. 16	$ -	$ 20,000
Sask Energy	286	-
Sask Power Corp	5,046	20,263
Sask Tel	2,099	220,102
Sun West School Division No. 207	500	4,000
Other	-	2,232
	$ 7,931	**$ 266,597**

In addition, the School Division pays Provincial Sales Tax to the Saskatchewan Ministry of Finance on all its taxable purchases and customer sales on items that are deemed taxable. Taxes paid are recorded as part of the cost of those purchases.

17. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Significant contractual obligations and commitments of the School Division are as follows:

- Operating lease obligations, as follows:

	Operating Leases	
	Copier Lease	Total Operating
Future minimum lease payments:		
2014	$ 131,048	$ 131,048
2015	131,048	131,048
2016	129,469	129,469
Total Lease Obligations	**$ 391,565**	**$ 391,565**

18. ACCOUNTING CHANGES

The school division adopted the following new/revised Public Sector Accounting (PSA) Standards in 2013:

PS1201 Financial Statement Presentation

The school division adopted the new PS1201 Financial Statement Presentation standard in 2013. PS1201 establishes general reporting principles and standards for the disclosure of information in financial statements, and introduces a new Statement of Remeasurement Gains and Losses which reports unrealized gains and losses associated with foreign exchange and changes in value for financial instruments recorded at fair value, and accounts for amounts reclassified to the statement of operations upon derecognition or settlement. This standard is applicable to the fiscal year in which the new PS2601 Foreign

Currency Translation and PS3450 Financial Instruments standards are adopted. These standards are adopted on a prospective basis, without restatement of prior period comparative amounts and accordingly, no 2012 comparatives have been provided in the new Statement of Remeasurement Gains and Losses. Implementation of PS1201, PS2601 and PS3450 required the school division to remeasure its financial instruments at September 1, 2012 and to recognize the accumulated remeasurement gains and losses in the opening balance in the Statement of Remeasurement Gains and Losses.

The adoption of the new PS1201 standard has not impacted the school division's financial statements as the school division had no remeasurement gains or losses to report in 2013.

PS2601 Foreign Currency Translation
The school division adopted the revised PS2601 Foreign Currency Translation standard in 2013. This revised standard establishes standards on how to account for and report transactions that are denominated in a foreign currency, and replaces the previous PS2600 Foreign Currency Translation. The revised PS2601 standard must be implemented in the same fiscal year as the new PS3450 Financial Instruments standard is adopted, and is adopted on a prospective basis, without restatement of prior period comparative amounts. Accordingly, the 2012 comparative amounts were not restated and have been presented in these financial statements in accordance with the accounting policies applied by the school division immediately preceding its adoption of the revised standard.

The adoption of the revised PS2601 standard has not resulted in any changes to the measurement and recognition of foreign currency transactions or balances by the school division.

PS3041 Portfolio Investments
The school division adopted the new PS3041 Portfolio Investments standard in 2013. The new PS3041 This new standard establishes standards on how to account for and report portfolio investment, and replaces the previous PS3030 Temporary Investments and PS3040 Portfolio Investments standards and is applicable to the fiscal year in which the PS2601 Foreign Currency Translation and PS3450 Financial Instruments standards are adopted. The PS3041 standard refers to PS3450 for recognition and measurement of investments and is adopted on a prospective basis, without restatement of prior period comparative amounts. Accordingly, the 2012 comparative amounts were not restated and have been presented in these financial statements in accordance with the accounting policies applied by the school division immediately preceding its adoption of the revised standard.

The adoption of the new PS3041 standard has not resulted in any changes to the measurement and recognition of portfolio investments by the school division.

PS3450 Financial Instruments
The school division adopted the new PS3450 Financial Instruments standard in 2013. This new standard provides guidance for the recognition, measurement and disclosure of financial instruments. The new PS3450 Financial Instruments standard is adopted on a prospective basis, without restatement of prior period comparative amounts. In accordance with the transition provisions provided in PS3450:

(a) the recognition, derecognition and measurement policies for financial instruments followed by the school division in financial statements for periods prior to the 2013

are not reversed and, therefore, the financial statements of prior periods, including 2012 comparative amounts, have not been restated.

(b) at the beginning of the 2012-13 fiscal year, the school division:
   (i) recognized all financial assets and financial liabilities on its statement of financial position and classified items in accordance with PS3450 standards;
   (ii) applied the criteria in PS3450 in identifying those financial assets and financial liabilities to be measured at fair value; and
   (iii) remeasured assets and liabilities as appropriate, and recognized the adjustment to September 1, 2012 amounts as an adjustment to the accumulated remeasurement gains and losses at the beginning of the 2012-13 fiscal year.

(c) no adjustments to carrying values were made to retroactively expense transaction costs applicable to items in the fair value category.

(d) the school division established an accounting policy for the identification of embedded derivatives in contracts entered into by it. The school division's policy, and its application, recognizes as separate assets and liabilities those embedded derivatives required to be reported in accordance with provisions of PS3450 on either a retroactive or prospective basis. The adoption of this policy has not impacted the school division's 2013 financial statements as the school division did not have any derivative contracts.

The adoption of the new PS3450 standard has not resulted in any changes to the measurement and recognition of the school division's financial instruments other than additional disclosures which include the school division's risk management practices.

PS3410 Government Transfers

The school division adopted the revised PS3410 Government Transfers standard in 2013. This revised standard establishes standards on how to account for and report government transfers (grants), with the most significant impact to the school division pertaining to the criteria for recognition of revenue for the government transfers it receives. The revised standard allows for either prospective or retroactive implementation. The school division has elected to apply the requirements of the revised standard on a prospective basis. Accordingly, the adoption of this revised standard did not have an impact on the school division's comparative figures but did require additional disclosures in the notes.

The adoption of the revised PS3410 standard has not resulted in any changes to the measurement and recognition of government transfers in the school division's 2013 financial statements.

Change in Accounting Policy

During the year the school division changed its accounting policy with respect to recording Tangible Capital Assets. The school division now accounts for such transactions by placing physical assets in the furniture and equipment; and computer hardware and audio visual equipment classes in the pool regardless of per asset cost. Prior to this change in policy the school division would only capitalize these transactions if the individual asset had a cost greater than $1,000.00. The school division believes the new policy is preferable as it provides a fairer representation of the results and the financial position of the school division and the policy aligns with the recommendation from the Ministry of Education. This change has been applied prospectively as the effect of the

new accounting policy is not reasonably determinable for the cumulative effect of the change or for individual prior periods. Consequently, prior year comparatives have not been restated to reflect this revised accounting policy and comparisons between the current year and prior fiscal years may not be meaningful. The change in accounting policy has impacted the school division's financial statements as follows: the expenses are less and the asset additions are higher.

19. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation.

20. RISK MANAGEMENT

The school division is exposed to financial risks from its financial assets and liabilities. These risks include credit risk, liquidity risk and market risk (consisting of interest rate risk and foreign exchange risk).

(i) Credit Risk

Credit risk is the risk to the school division from potential non-payment of accounts receivable. The credit risk related to the school division's receivables from the provincial government, federal government and their agencies are considered to be minimal. For other receivables, the school division has adopted credit policies which include close monitoring of overdue accounts. The school division does not have a significant exposure to any individual customer. Management reviews accounts receivable on a case by case basis to determine if a valuation allowance is necessary to reflect an impairment in collectability.

The aging of accounts receivable at August 31, 2013 and August 31, 2012 was:

	August 31, 2013		August 31, 2012	
	Accounts Receivable	Allowance for Doubtful Accounts	Accounts Receivable	Allowance for Doubtful Accounts
Current	$ 405,878	$ -	$ 512,424	$ -
30-60 days	478	-	15,933	-
60-90 days	675	-	336	-
Over 90 days	2,993,853	(504,063)	2,730,554	-
Total	$ 3,400,884	$ (504,063)	$ 3,259,247	$ -
Net		$ 2,896,821		$ 3,259,247

(ii) Liquidity Risk

Liquidity risk is the risk that the school division will not be able to meet its financial obligations as they come due. The school division manages liquidity risk by maintaining adequate cash balances, budget practices, monitoring, and forecasts. The following table sets out the contractual maturities of the school division's financial liabilities:

	Within 6 months	6 months to 1 year	1 to 5 years	> 5 years
Accounts payable and accrued liabilities	$ 1,884,508	$ 453,163	$ -	$ -
Long term debt	-	100,000	400,000	-
Total	$ 1,884,508	$ 553,163	$ 400,000	$ -

(iii) Market Risk:

The school division is exposed to market risks with respect to interest rates and foreign currency exchange rates, as follows:

(a) Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The school division's interest rate exposure relates to cash and cash equivalents, and portfolio investments. The school division also has an authorized bank line of credit of $10 million with interest payable monthly at a rate of prime less 0.50%. Changes in the bank's prime rate can cause fluctuation in interest payments and cash flows. There was no balance outstanding on this credit facility as of August 31, 2013.

The school division minimizes these risks by:

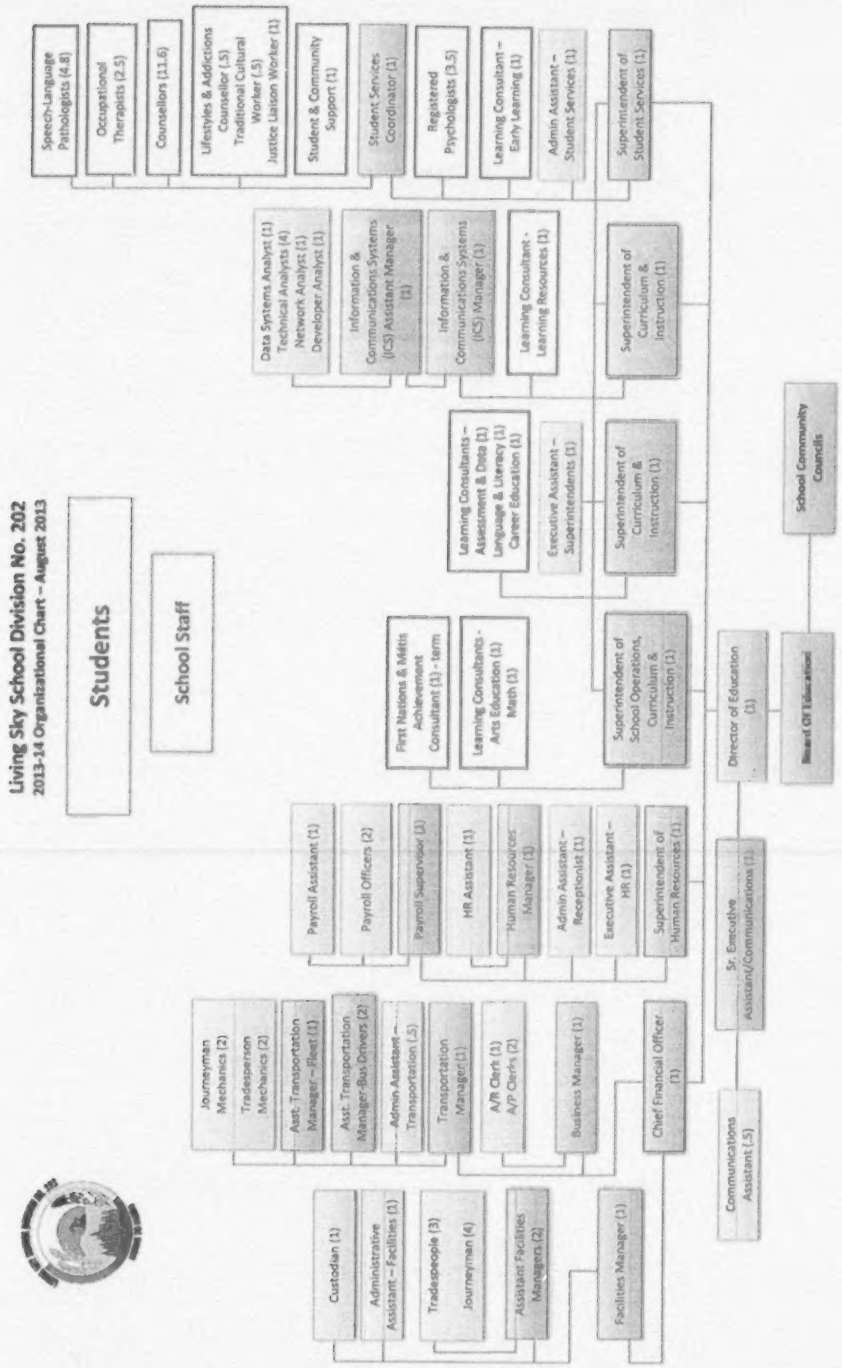
- holding cash in an account at a Canadian bank, denominated in Canadian currency,
- investing in GICs and term deposits for short terms at fixed interest rates,
- managing cash flows to minimize utilization of its bank line of credit and,
- managing its interest rate risk on long-term debt through the exclusive use of fixed rate terms for its long-term debt.

(b) Foreign Currency Risk:

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The school division is exposed to currency risk on purchases denominated in U.S. dollars for which the related accounts payable balances are subject to exchange rate fluctuations; however, this risk is minimal as the school division does not make a significant amount of purchases denominated on a foreign currency. The school division did not have any financial instruments denominated in foreign currency outstanding at August 31, 2013 or August 31, 2012.

Appendix B: Organizational Chart

Living Sky School Division – August 31, 2013


Living Sky School Division No. 202
2013-14 Organizational Chart – August 2013
Students
School Staff
Speech-Language Pathologists (4.8)
Occupational Therapists (2.5)
Counsellors (11.6)
Lifestyles & Addictions Counsellor (.5)
Traditional Cultural Worker (.5)
Justice Liaison Worker (1)
Student & Community Support (1)
Student Services Coordinator (1)
Registered Psychologists (3.5)
Learning Consultant – Early Learning (1)
Admin Assistant – Student Services (1)
Superintendent of Student Services (1)
Data Systems Analyst (1)
Technical Analysts (4)
Network Analyst (1)
Developer Analyst (1)
Information & Communications Systems (ICS) Assistant Manager (1)
Information & Communications Systems (ICS) Manager (1)
Learning Consultant - Learning Resources (1)
Superintendent of Curriculum & Instruction (1)
Learning Consultants – Assessment & Data (1)
Language & Literacy (1)
Career Education (1)
Executive Assistant – Superintendents (1)
Superintendent of Curriculum & Instruction (1)
School Community Councils
First Nations & Métis Achievement Consultant (1) - term
Learning Consultants - Arts Education (1)
Math (1)
Superintendent of School Operations, Curriculum & Instruction (1)
Director of Education (1)
Board Of Education
Payroll Assistant (1)
Payroll Officers (2)
Payroll Supervisor (1)
HR Assistant (1)
Human Resources Manager (1)
Admin Assistant – Receptionist (1)
Executive Assistant – HR (1)
Superintendent of Human Resources (1)
Sr. Executive Assistant/Communications (1)
Journeyman Mechanics (2)
Tradesperson Mechanics (2)
Asst. Transportation Manager – Fleet (1)
Asst. Transportation Manager-Bus Drivers (2)
Admin Assistant – Transportation (.5)
Transportation Manager (1)
A/R Clerk (1)
A/P Clerks (2)
Business Manager (1)
Chief Financial Officer (1)
Communications Assistant (.5)
Custodian (1)
Administrative Assistant – Facilities (1)
Tradespeople (3)
Journeyman (4)
Assistant Facilities Managers (2)
Facilities Manager (1)

Appendix C: School List

There are 25 schools in Living Sky School Division located in 15 communities:

School	Grades	Location	Year Built
Leoville Central School	K-12	Leoville	1963, 1967, 1973
[illegible]	[illegible]	[illegible]	[illegible]
Spiritwood High School	7-12	Spiritwood	1963
[illegible]	[illegible]	[illegible]	[illegible]
Hafford Central School	K-12	Hafford	1958, 1964
[illegible]	[illegible]	[illegible]	[illegible]
Cando Community School	PreK-12	Cando	1965, 1967, 1993, 1995, 2000
[illegible]	[illegible]	[illegible]	[illegible]
McLurg High School	7-12	Wilkie	1976
[illegible]	[illegible]	[illegible]	[illegible]
Cut Knife High School	7-12	Cut Knife	1957, 1965, 1973, 1981
[illegible]	[illegible]	[illegible]	[illegible]
Unity Composite High School	7-12	Unity	1950, 1978, 1980
[illegible]	[illegible]	[illegible]	[illegible]
Major School	K-12	Major	1927, 1987
[illegible]	[illegible]	[illegible]	[illegible]
Luseland	K-12	Luseland	1960, 1984
[illegible]	[illegible]	[illegible]	[illegible]
St. Vital Catholic School	PreK-8	Battleford	1961
[illegible]	[illegible]	[illegible]	[illegible]
Connaught Community School	PreK-8	North Battleford	1988
[illegible]	[illegible]	[illegible]	[illegible]
Manacowin/Phoenix	Ungraded	North Battleford	1969
[illegible]	[illegible]	[illegible]	[illegible]
North Battleford Comprehensive High School	9-12	North Battleford	1968, 1974

Appendix D: Payee List – 2012-13

Living Sky School Division Payee Disclosure List for the Fiscal Year September 1, 2012 to August 31, 2013

As part of government`s commitment to accountability and transparency, the Ministry of Education and Saskatchewan school divisions disclose payments that total $50,000 or greater made to individuals, businesses and other organizations during the fiscal year. These payments include salaries, contracts, transfers, purchases of goods and services, and other expenditures.

Board of Education Remuneration

	Board Remuneration				
Name	**Remuneration**	**Expenses**	**Travel**	**Professional Development****	**Total**
Ken Arsenault*	$ 9,743	$ 4,872	$ 1,473	$ 764	**$ 16,851**
Ron Kowalchuk	$ 8,230	$ 4,116	$ 1,860	$ 1,311	**$ 15,517**
Todd Miller	$ 8,230	$ 4,116	$ 2,466	$ 161	**$ 14,973**
Ronna Pethick	$ 8,230	$ 4,116	$ 2,373	$ 2,631	**$ 17,350**
Kim Gartner	$ 8,230	$ 4,116	$ 2,520	$ 660	**$ 15,526**
Jack Snell	$ 8,230	$ 4,116	$ 2,261	$ 368	**$ 14,975**
Roy Challis	$ 1,338	$ 669	$ -	$ -	**$ 2,008**
Richard Hiebert	$ 6,891	$ 3,447	$ 40	$ 2,168	**$ 12,546**
Garth Link	$ 8,230	$ 4,116	$ 76	$ 238	**$ 12,660**
Glenn Wouters	$ 8,230	$ 4,116	$ 432	$ 157	**$ 12,935**
Bob Foreman	$ 8,230	$ 4,116	$ -	$ -	**$ 12,346**
Total	**$ 83,810**	**$ 41,918**	**$ 13,502**	**$ 8,456**	**$ 147,686**

Personal Services

Individuals who received payments for salaries, wages, honorariums, etc. which total $50,000 or more – list available on request.

Transfers

Listed by program, are transfers to recipients who received a total of $50,000 or more.

North West Regional College	129,590

Supplier Payments

Listed are payees who received a total of $50,000 or more for the provision of goods and services.

Action Office Interiors	61,249
Allied Contract Sales Ltd.	135,388
Anderson Pump House Ltd.	70,275
Apple Canada Inc	58,255
Associated Engineering (Sask.)	103,956
B & C Combres	183,559
Battlefords & District Co-op	222,426
Bee-J's Stationers Inc.	156,055
Bus Sales Of Saskatoon Ltd.	635,987
Cheyne's Plumbing & Heating	262,186
City Of North Battleford	138,181
Compugen Inc.	85,278
Concentra Financial	62,588
De Lage Landen Financial Serv	119,677
Dell Canada Inc.	631,231
Delta Co-op Association Ltd	256,582
E & L Building Contractors	51,940
Eecol Electric	50,998
Enhance Driver Education	122,425
FirstCanada ULC	1,610,218
G & C Asphalt Services Ltd.	143,957
Gabriel Construction	850,467
Janna Electric Ltd.	62,961
KIM Constructors Ltd.	58,429
Lesmeister Construction Ltd.	410,950
Lyle V. Schell Construction	1,782,974
Marsh Canada Limted	357,157
Nelson Education Ltd.	77,462
North West Regional College	129,590
Northern Grocers Inc.	60,097
Pearson Canada Inc. T46254	97,559
Pinnacle Distribution Inc.	225,043
Quorex Construction Services	376,157
R & D Drywall Inc.	122,013
R B M Architecture	206,976
Rack Petroleum Ltd.	91,377
Rapid Refrigeration &	84,657
SaskEnergy	719,817
SaskPower Corp	882,969
SaskTel	562,460
Scholantis Learning	62,615
Scott Campbell Dodge Ltd.	62,661
SELU	51,441
SGI Auto Fund Division	65,021
Shanahan's Building Products	104,628
Sharp's Audio Visual	56,839
Shutra, Brian & Charlene	63,382
Southland	728,458
Spiritwood & District Co-op	137,016
Stuart Olson Dominion	79,073
Suncor Energy Products	53,779
Sysco Serca Food Services West	173,323
Toshiba Business Solutions	142,123
Trevor's Driving School	108,507
Unity Truck & Auto Service Ltd	92,451
Valley Ford Sales	72,881
Warner Truck Industries Ltd.	69,177

Appendix E: Infrastructure Projects – 2012-13

Building	Project	Details	2012-13 Cost
McKitrick Community School	Childcare Project	- renovate to move Prekindergarten program - create childcare facility in school	$576,543
Division Office	Renovation	- renovate Division office to accommodate all staff	$1,289,376
North Battleford Comprehensive High School	Energy retrofit	- replace HVAC unit for gymnasium - replace boiler	$1,199,242
Hartley Clark Elementary School	Childcare Project	- create childcare facility in school	$414,355
North Battleford Comprehensive High School	Renovation	- renovate to allow for the integration of grades 7 and 8 into school to alleviate crowding at elementary schools	$247,082